JPRS 74927

14 January 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 10, October 1979

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

50272-101

REPORT DOCUMENTATION PAGE

1. REPORT NO. JPRS 74927

2.

3. Recipient's Accession No

4. Title and Subtitle
USSR REPORT
USA: ECONOMICS, POLITICS, IDEOLOGY, No. 10, October 1979

5. Report Date
14 January 1980

7. Author(s)

8. Performing Organization Rept. No

9. Performing Organization Name and Address
Joint Publications Research Service
1000 North Glebe Road
Arlington, Virginia 22201

10. Project/Task/Work Unit No.

11. Contract(C) or Grant(G) No.
(C)
(G)

12. Sponsoring Organization Name and Address
As above

13. Type of Report & Period Covered

14.

15. Supplementary Notes
Translation of the monthly, SShA: EKONOMIKA, POLITIKA, IDEOLOGIYA, published by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences, Moscow.

16. Abstract (Limit: 200 words)

The report contains articles by Soviet public figures, Americanologists, and others, on Soviet-American relations and on political, military, economic, scientific, technological, and other aspects of life in the United States and Canada.

17. Document Analysis a. Descriptors

United States
Canada
Sociology
Economics
Geography
Propaganda

b. Identifiers/Open-Ended Terms

c. COSATI Field/Group 5D, 5K, 5C

18. Availability Statement
Unlimited Availability
Sold by NTIS
Springfield, Virginia 22161

19. Security Class (This Report)
UNCLASSIFIED

20. Security Class (This Page)
UNCLASSIFIED

21. No. of Pages
150

22. Price

(See ANSI-Z39.18)

OPTIONAL FORM 272 (4-77)
(Formerly NTIS-35)
Department of Commerce

JPRS 74927

14 January 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 10, October 1979

Translation of the Russian-language monthly research journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

PAGE

United States 'National Priorities' on the Threshold of the Eighties
(N. A. Dolgopolova, A. A. Kokoshin)............................ 1

On Limiting Military Activities in the Indian Ocean
(V. P. Kozin).. 17

Research and Development: America's Problems
(V. M. Kudrov)... 31

Crisis of Neocolonialist Ideology in Latin America
(V. P. Kirichenko).. 48

Transition to Programming of the U.S. Economy
(A. I. Shapiro).. 61

United States Public Opinion and SALT II
(M. M. Petrovskaya).. 76

United States and the UNCTAD Session in Manila
(I. I. Dmitriyev).. 80

International Aspects of the 'New Information Technology'
(G. B. Kochetkov).. 87

Joe Hill--Bard of Labor and Freedom*
(M. I. Lapitskiy).. 95

---

* Not translated by JPRS

CONTENTS (Continued) Page

What Has Happened to the 'New Journalism'
(A. S. Mulyarchik).. 96

United States Capital in the Arab Countries in the Seventies
(A. I. Osipov).. 102

The Execution of Charles Horman; An American Sacrifice*
(V. N. Pivovarova).. 119

Protection of Plant and Animal Life
(I. V. Vasok).. 120

Book Reviews
Past Plans for Nuclear War, by V. I. Bogachev.................. 132
McCarthy Updates de Tocqueville.............................. 135
Survey of Tactical Nuclear Power, by V. F. Davydov,
N. S. Seregin.. 138
American Banks in World Markets, by A. A. Movchan,
D. Ya. Penzin.. 142

Chronicle of Soviet-American Relations (July-August, 1979)............ 144

---

*Not translated by JPRS

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY
No 10, 1979

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo "Nauka"

Place of Publication : Moscow

Date of Publication : October 1979

Signed to press : 12 September 1979

Copies : 38,000

COPYRIGHT : Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1979

UNITED STATES 'NATIONAL PRIORITIES' ON THE THRESHOLD OF THE EIGHTIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 3-14

[Article by N. A. Dolgopolova and A. A. Kokoshin]

[Text] The problem of "national priorities," or the sequence of "national objectives," particularly from the standpoint of the ratio of U.S. military to non-military goals and U.S. military to non-military expenditures, has repeatedly been on the agenda of sociopolitical debates in the United States since World War II. The problem became particularly acute at the end of the 1960's. At this time of increasingly urgent domestic problems and economic and social change, it became an obvious difficulty for the American state to simultaneously finance programs aimed at the prevention of sociopolitical upheavals in the nation and ambitious military programs. The aggression in Indochina precisely revealed this inability and became a kind of catalyst of active and intense internal political struggle over the main focus of U.S. policy.

This discussion was specifically reflected in the debates over annual and five-year defense budgets, the deployment of U.S. armed forces abroad, the powers of the executive branch in the sphere of military policy and other issues. It attracted the attention of large segments of the American public including various ruling class groups, which took different approaches to domestic and foreign policy issues. It appears as though the factors lying at the basis of this discussion, just as its results, played some part in the American leadership's move toward detente.

At the same time, the history of the United States in the 1970's demonstrated the difficulties encountered by a bourgeois states when it--naturally, ultimately in the interest of the upper monopolistic echelon--tries to solve the problem of "national priorities." The energetic efforts made by supporters of the cold war, who saw the further development of detente as a serious threat to the U.S. "national interest," but actually to the existing "balance of power and priorities" in the nation, for some time reinforced a tendency in accordance with which, after a slight de-escalation of the arms race, increased military efforts at the expense of internal social development again became an integral part of the administration's policies.

At the end of the 1970's, all of this led to a new series of discussions on "national priorities." During the course of these discussions, theories were expounded concerning the role and functions of government, the need to reorganize the system for the federal financing of domestic social and economic programs, including the redirection of the military economy into civilian channels, the interrelationship between inflation and military spending, and the new role of non-military factors of strength in U.S. foreign policy. Many of these theories conflict with opposing beliefs like the idea of the "mobilized society" and the appeals for "reliable military preparedness" on the pretext of the increasing "Soviet military threat." These arguments have been expressed in concise form when the financial side of the matter is discussed, primarily in the discussion of new U.S. federal and defense budgets.

The arguments over "national priorities" are of the greatest significance in the engineering of U.S. foreign policy strategy because they reflect objective processes, including the process by which internal factors influence foreign policy and external factors influence domestic policy.

On 15 September 1979, the U.S. Congress approved the federal budget for the 1980 fiscal year, beginning on 1 October 1979. Budget expenditures were set at 532 billion dollars, and budget revenues were set at 509 billion. The deficit, consequently, will total 23 billion dollars--approximately 6 billion less than envisaged in the draft budget submited to the Congress by the Carter Administration in January 1979. The new budget envisages 124.2 billion dollars in Department of Defense expenditures.

The budget for the 1980 fiscal year would seem to be the boldest of the three annual budgets proposed by the Democratic Administration during Carter's term in office; it was drawn up with consideration for the increasing purposeful influence exerted by big business in general and the military-industrial complex in particular on federal economic and social policy, and with consideration for the prevailing sociopolitical attitudes in the nation (which are largely contradictory and, in addition, are demagogically interpreted by top-level politicians). The compilation of the budget was considerably influenced by the long-range forecasts of several American economists, current economic and political conditions and all accumulated experience in complex interaction by the administration and Congress.

In order to illustrate current trends, we will cite some figures from the present administration's budgets for fiscal years 1978, 1979 and 1980. [See Table on following page.]

Many politicians and experts have justifiably stressed that the administration's budget for fiscal year 1980 is primarily a "political document" because its implementation will coincide with the beginning of the race for the presidency, which will take place in late 1979 and in 1980. What are the main distinctive features of this budget?

Federal Budget of the United States under the Carter Administration,
in Billions of Dollars (in Current Prices,
Without Allowances for Inflation

	Fiscal Years			
	1978	1979 (estimated)	1980 (proposed by administration)	1980 approved by Congress)
Revenues	402.0	456.0	502.6	509
Expenditures	450.8	491.6	531.6	532
Deficit	48.8	35.3	29.0	23

"Special Analysis, Budget of the United States Government, FY 1980," Washington, 1979, pp 11, 14, 21.

First of all, it envisages cuts--which will be perceptible from the financial or economic and, in particular, the sociopolitical and psychological standpoints--in various types of expenditures for social needs, in current and constant prices. The cuts in expenditures for internal goals will affect social welfare, elementary and secondary schools, vocational training, public libraries, the fight against drug abuse, low-income housing construction, disability benefits, environmental protection programs, Department of Labor programs for the creation of new civil service jobs, and several other expenditure items. By the time the budget for fiscal year 1980 was published, it became known that the administration had already abolished up to 100,000 federal government jobs in precisely these spheres and planned to reduce the total staff by another 200,000 individuals.[1]

Secondly, the budget simultaneously envisaged a considerable increase in defense expenditures--9.9 percent in current prices and 3 percent in real terms with allowances for inflation,[2] which hardly differs at all from the increase planned in the sphere of military spending by the Republican Administration in 1975. Moreover, the most significant increase, far surpassing the average growth rate of military spending in general, was planned for allocations for military equipment purchases, as well as for scientific research and experimental design projects. According to some estimates, by increasing precisely this part of defense appropriations, the current administration is insuring itself against the threat of another severe recession in the American economy, which could be stimulated to a considerable extent by the overall limitation of federal spending. Without overly publicizing this policy, the administration is trying to employ a method used repeatedly (and unsuccessfully) in the past--stimulation of the economy by increasing the workload of the defense industry.

"For many years the ideologists of the military-industrial complex maintained that the development of military production was supposedly having a stabilizing effect on the economy, keeping employment figures up and expanding the market. A unique theory even came into being, the authors of which tried to substantiate the slogan of 'prosperity through armaments.' Reality proved, however, the completely unfound nature of such allegations: Militarization eventually restricts production growth and leads to a decline in the public standard of living,"[3] remarked Academician B. N. Ponomarev, alternate member of the CPSU Central Committee Politburo and secretary of the CPSU Central Committee.

It should also be noted that the revenue portion of the 1980 budget was actually calculated on the basis of the same tax system which was seriously criticized numerous times during the election campaign and the first months of the present administration's term as being ineffective and unfair, and which was once called "disgraceful" by Carter himself.[4]

In many respects, the budget for fiscal year 1980 obviously goes against Carter's campaign promises, in which he attached primary significance to a broader social policy, emphasizing the reduction of unemployment, the resolution of the most urgent urban problems and the construction of low-income housing. In the eyes of the voters and the Democratic party activists who placed hopes on J. Carter, the new budget is not even consistent with more long-range goals, such as the improvement of the social security system, the creation of a national "comprehensive" public health care system, etc.

To a certain degree, J. Carter's budget, both in its debit and credit sides, also reflects the administration's inconsistency in dealing with as urgent an economic, social and political issue as the energy crisis.

By limiting social programs for general and special purposes, the administrational actually excluded the fight against unemployment from its system of priorities. Moreover, although unemployment has decreased in comparison to the crisis period of 1973-1975 (when it held at 9 percent), and even in comparison to the end of 1976 (8.1 percent), General Secretary Gus Hall of the Communist Party of the United States of America nonetheless estimates that it is still approximately 6 percent on the average, around 20 percent for blacks, Chicanos and several other ethnic and racial minorities, and up to 40 percent for colored youth.

The administration's plans for military spending, which it once promised to reduce (or at least to limit its growth), also look like a serious violation of campaign promises.[5] The increase in military spending, despite the views expressed by economists close to the administration, will be, according to the latest critical studies in this field (particularly by M. Anderson and B. Russet), a significant factor maintaining or even elevating the high rate of unemployment.[6]

An analysis of statements made by President J. Carter, Director J. McIntyre of the Office of Management and Budget, Chairman C. Schultze of the President's council of economic advisers, former Secretary of the Treasury

M. Blumenthal and other prominent figures in the administration, as well as a number of American studies of this problem, provides some idea of the logic by which the administration was guided when the budget was being drawn up.[7]

President Carter and his closest associates believe that the most pressing economic, social and political problem in the United States at the end of the 1970's is inflation, which is pervasive, affecting almost all strata in American society and threatening the stability of the system much more than the overwhelming majority of other problems. Unless the administration finds at least a partial solution to the problem of inflation, it cannot hope for any kind of definite progress in the serious resolution of any other problem, whether within the nation or in the sphere of international economics. In the eyes of a sizable segment of the monopolistic bourgeoisie and in public opinion, one of the major causes, if not the main cause of inflation is the "excessive growth" of federal spending.[8]

The attempt to stabilize federal spending and to reduce, and later to even liquidate, the deficit in the federal budget, according to J. Carter's plan, should impress conservative and right-wing forces in the United States, which have been much more active politically in recent years and which have traditionally favored less government involvement in socioeconomic life, primarily less spending on social programs. In this way, the administration hopes to deprive its powerful opponents on the right, both in the Republican Party and in its own Democratic Party (above all, the Coalition for a New Democratic Majority, headed by Senators Jackson and Moynihan) of the weapon represented by the increasingly popular--for the most divers reasons--demand to "put an end to the excesses of the Washington bureaucracy." Above all, this presupposes the limitation of federal expenditures.

At the same time, the reduction of expenditures for social purposes represents a concession to the particular forces that are advocating the limitation of federal spending in general but are simultaneously demanding an increase in defense appropriations.

By making cuts in domestic spending, the social policy strategists of the presend Democratic Administration apparently hope to eventually abolish several old programs, which have been criticized for many years in the United States for their ineffectiveness and inflexibility. Many of these programs date back not only to President L. Johnson's "Great Society," but also J. Kennedy's "New Frontiers," H. Truman's "Fair Deal" and even F. Roosevelt's "New Deal." It is possible that the President and his closest associates are hoping to make room for their own ambitious future programs, intended to elevate the prestige of the President and the party, by discarding everything that is most burdensome in the financial sense and least effective in the sociopolitical sense from the legacy of previous Democratic administrations. According to the estimates of the administration's political strategists and economists, it would be impossible, considering the limited nature of economic resources and the mood in the nation, to institute new programs without abolishing at least some of the programs of past presidents.

The progress of the debates in Congress in connection with the draft federal budget for the 1980 fiscal year and the above-listed results of these debates testify that Congress as a whole is even more conservative in its attitudes and decisions than the administration. After all, it made even more drastic cuts in expenditures for social needs and left the President's military projections virtually unchanged. Judging by this, the White House's political calculations based on the present day are accurate (and the relationship between the President and Congress, after the noticeable weakening of presidential authority in general as a result of the Watergate affair, is still one of the most difficult political problems for the Carter Administration).

In our opinion, however, the position taken by Congress does not fully reflect the political struggle that is going on in the nation over federal expenditures, their patterns and their effect on the economy and social conditions.

The consolidation and increased activity of right-wing groups in the nation, which took place in the mid-1970's after the failure of the aggression in Vietnam and which represented a reaction to the success of detente, have made action by detente's supporters in government difficult for several reasons. Many supporters of detente apparently did not anticipate such a quick and energetic counterattack by the "hawks." Under the conditions of an increasingly murky internal political atmosphere and the persistent and purposeful attempts by the "hawks" to eradicate all constructive achievements in the international sphere, the forces supporting detente required a great deal of time to coordinate their actions and organize their activity to withstand the attacks on the policy of detente.

During its first 2 years in power, therefore, the Carter Administration experienced relatively little pressure "from the left" in connection with expenditures for military purposes, while the pressure of the "hawks," which had acquired momentum several years before, was more and more perceptible. Naturally, various organizations which have traditionally advocated increased federal expenditures on social needs also tried to influence the policy of an administration which they had largely helped to elect. These actions, however, were mainly of a disjointed nature.[9]

The situation is now beginning to change. Economic conditions in the nation are deteriorating, and this is primarily reflected in the living conditions of workers. There is an increasing awareness of the interconnections between various aspects of socioeconomic and political processes in the United States, of the need to fight for cuts in military spending in order to guarantee the necessary level of social expenditures, and of the connection between struggle for reduced military expenditures and struggle for detente and the improvement of U.S.-Soviet relations, including SALT II. All of this is ushering in a new stage in the activities of various sociopolitical forces that do not agree with the administration's system of "national priorities."

The counteroffensive of forces supporting the present system of "national priorities" is increasing the political risk taken, as many American experts have pointed out, by J. Carter on the threshold of the 1980 election by proposing a budget that has aroused such pointed criticism from the social strata that have traditionally constituted the Democratic Party's basis. As R. Samuelson, expert on budget affairs wrote in a NATIONAL JOURNAL article, "in the middle of his term, President Carter proposed a budget for fiscal year 1980 which fundamentally changes the original goals of his administration and will make the situation uncertain for his reelection campaign."[10] Moreover, forecasts have indicated that the President might "not appeal" even to the conservative forces whose support he expected to win by conducting this budget policy.[11]

Many American experts are not only afraid that it might be impossible to keep federal expenditures at a level insuring that the deficit will not exceed 25-30 billion dollars, but are also apprehensive that this kind of cut in federal spending (particularly in view of Congress' additional budget cuts) could lead to a decline in economic activity at the end of 1979 and the beginning of the 1980 fiscal year—that is, just at the time when the campaign begins in earnest. A decline in business activity in the nation could considerably raise the already high level of unemployment and thereby weaken J. Carter's political influence, again in the particular segment of the population that usually votes for Democrats.

But even if we assume that the administration will be able to reduce the deficit in the federal budget, this does not mean that the main economic and sociopolitical goal will be attained--the reduction of inflation. As many studies have pointed out, the main cause of the rapid rise in U.S. prices is the high level of military spending--a field in which the administration has not displayed the necessary restraint in fiscal year 1980 and, judging by all indications, does not intend to display it in the future.

It is equally significant that even if previous parameters of the growth of domestic social expenditures should be maintained, appropriations will be obviously inadequate to guarantee any kind of reliable, in the view of the more far-sighted segment of ruling circles, stabilization of sociopolitical conditions in the nation. In the opinion of these circles, the need for new social reforms is becoming increasingly urgent, and the accomplishment of these reforms will require new federal budget allocations. One of the most immediate objectives is considered to be the establishment of a national system of public health care and medical assistance, which, according to some estimates, could cost an additional 20 billion dollars a year. The immediate problems that require new allocations running into the billions also include urban crisis, problems in education and others.

This approach to the resolution of several social problems facing the United States on the threshold of the 1980's is primarily characteristic of a group of liberal forces, which look to Democratic Senator E. Kennedy for guidance and are disagreeing with the administration on more and more issues. It is indicative that as the dimensions of this conflict grow, the popularity and political prestige of E. Kennedy are also growing among the voters and the political elite. According to an annual survey conducted by U.S. NEWS AND WORLD REPORT, in 1979 Senator Kennedy was considered to be the second most influential politician in the nation, moving up from 13th place in 1978, superseded only by the President, who usually, by virtue of the significance of his office, takes the lead in surveys concerning degrees of political influence in the nation. By rising in the estimation of experts to such heights in the structure of political influence, E. Kennedy has gone far beyond such traditionally influential leaders in the American political system as the Speaker of the House (T. O'Neill) or the leader of the Democratic majority in the Senate (R. Byrd).

There is no question that the increasing popularity and influence of Senator Kennedy is largely a result of a skillful propaganda campaign, during the course of which the ideology of "Kennedy-ism" has again advanced to the foreground, but in a form adapted to the requirements of the 1970's and 1980's.[12] The very success of this propaganda, however, indicates that although Kennedy's group approaches matters from the same class position as all other groups in the Democratic and Republican parties, it is more far-sighted in its consideration for the public mood and national needs when it chooses a position on issues that profoundly disturb the public.

The conflict between the Kennedy group and the administration is not simply a matter of disagreement over the allocation of funds for certain social programs. Whereas the administration has taken a conservative stand on the entire complex of socioeconomic problems, and a stand which is more consistent with Republican policy, the Kennedy group, according to some American experts, is moving in the direction of a more radical program. For example, whereas the Carter Administration is gradually weakening government's regulative activity in regard to monopolies, is giving in to their powerful pressure and is restricting the already limited rights of labor unions, the Kennedy group is concentrating on other objectives. In spite of the unpopularity of many federal regulative measures in monopolistic circles at the end of the 1970's, Kennedy believes it is necessary to impose stronger anti-trust legislation against monopolies that are attempting to absorb their weaker competitors.[13] Kennedy himself has stressed that he hopes to "save business from itself"[14] and to preserve, by means of federal intervention, at least the elements of competition that are still present in the United States at the end of the 1970's.

The Kennedy group is also conducting a more flexible policy in regard to labor unions, which is particularly noteworthy under the conditions of the comparative decline in the influence of the reactionary AFL-CIO leadership headed by G. Meany. At the end of the 1970's at the insistence of rank-and-file labor union members, the policies of several of the largest American unions have undergone radicalization as a direct result of the prolonged deterioration of working class positions and the increasing dissatisfaction of millions of union members with the actions of the labor bureaucracy. Incidentally, perhaps the clearest proof of the Meany group's anti-labor policy of class cooperation is the decrease in union membership in the United States.[15]

Demonstrations by rank-and-file union members and their leaders against the anti-labor policy of the monopolies have recently been combined more frequently with demands for cuts in military spending and for the transfer of the funds made available in this manner to programs for the satisfaction of workers' needs. According to the estimates of J. West, member of the Poliburo of the Central Committee of the Communist Party, USA, at least 14 of the largest labor unions, with more than 4 million members, have made such demands.[16]

An important element of the struggle for a new system of "national priorities" has been the activity of the most diverse organizations in support of the strategic arms limitation treaty signed 18 June 1979 in Vienna by General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev and U.S. President J. Carter. The active supporters of SALT II include prominent representatives of American business and political circles, a variety of antiwar and Democratic organizations and many labor unions. An important role in the struggle for the conclusion, and now for the ratification, of the SALT II treaty has been played by the Committee for East-West Accord--an influential sociopolitical organization, made up of prominent politicians, businessmen and scientists including former Secretary of the Air Force and Senator S. Symington, former U.S. Ambassador to the USSR and eminent American historian G. Kennan, Pepsi Co. President D. Kendall, Armco Vice President W. Veriti, former Assistant CIA Director G. Scoville, Rabbi A. Goodman, banker R. Roos, prominent figure in the Democratic Party (member of the "Kennedy clan") and former U.S. Ambassador to France S. Shriver and others.

The group in the U.S. Senate that supports SALT II is also growing. This tendency is undoubtedly being fostered by the energetic activity of the senators who support detente[17] and by the comparatively firm stand taken by the administration in support of SALT II after 2 years of maneuvering and playing up to the "hawks."

The activity of various forces campaigning for SALT II reflects widespread public feeling in the nation in favor of progress in arms limitation, although many Americans are still influenced by cold war propaganda.[18]

It is obvious that despite the increasingly strong criticism voiced by realistic-minded politicians, the U.S. Administration is still adhering to its previous course in the area of military spending at the same time that it is vigorously propagandizing the SALT II agreement concluded with the Soviet Union. Although some representatives of the administration (Secretary of Defense H. Brown and Director G. Seignious of the U.S. Arms Control and Disarmament Agency) have stressed in their latest speeches that the signing of the SALT II treaty in Vienna will prevent an increase of at least 30 billion dollars in expenditures on strategic forces in the next few years, a more definite budget correction in the direction of realism might have been expected under the influence of progress in one of the major fields of arms race curtailment.

Evidently, after assessing the balance of political power in the nation, the administration still cannot agree to do what is being prompted by the natural development of events and the content and spirit of the new treaty, which are opening up prospects for progress in other fields of arms limitation. It appears that the balance of political power that had taken shape by the second half of 1979 was the result of energetic activity by the more reactionary segments of the American ruling class, as well as the failure of part of the American political and economic elite to recognize the realities of the present state of social and economic problems in the United States or the actual position occupied by the United States in contemporary international relations.

Rightist forces are inclined to regard even the considerable growth rates of military spending and plans for military construction, proposed by the Carter Administration, as insufficient. The President and his closest associates, including even Secretary of Defense H. Brown, have been fiercely attacked for their rejection of the plans for the new B-1 strategic bomber, for their "indecision" in regard to the production and deployment of neutron warheads, for the "inadequate" rates of development in the new MX land-based strategic system, for the "delays" in the construction of the new Trident naval strategic system, etc. Attacks of this kind sometimes reflect the traditional struggle between the different branches of the armed services and the Pentagon's largest private contractors over the distribution of defense orders. Even more often, they represent the reaction of various segments of the military-industrial complex to attempts by the nation's top leaders to "rearrange" military spending patterns in accordance with the administration's budget plans and foreign policy aims. Pressure of a more general nature, exerted by rightist forces demanding the absolute buildup of U.S. military strength, also has an effect.

Rightist forces are operating on the most diverse levels with the aid of a variety of means and methods. One of the leading organizations that is openly acting in this spirit is the "Committee on the Present Danger," the most active members of which are former Assistant Secretary of Defense P. Nitze, former Secretary of State D. Rusk and former Assistant Secretary of State W. Rostow. A new association of reactionary forces is the so-called

Coalition for Peace from a Position of Strength, backed up by the American Security Council, founded during the cold war; this coalition is supported by more than 100 organizations, including Americans for a Safe Israel, the National Council of Senior Citizens, the American Federation of Small Business and others.

Judging by reports in the American press, we can assume that even in the administration itself, there are still serious differences of opinion with respect to the necessary ratio of military to non-military expenditures and the scales and nature of U.S. armed service construction.[19]

The maintenace of the planned level of military spending is also due, incidentally, to more general military-strategic and foreign policy considerations, which are also spoused, naturally, by specific groups and individuals in the Washington Administration and outside its framework.

In particular, the 3-percent increase in the defense budget was advertised by the administration as an important "commitment" to the United States' allies, which was supposedly losing face in the United States' ability to defend Western Europe against the notorious "Soviet threat." This 3-percent rise in real military expenditures was an important condition of the long-range program for the development of NATO armed forces, which was proposed by the United States and approved in June 1978 at a special session of the NATO Council.[20] The U.S. Administration took this step to stimulate the growth of military spending by its main allies; naturally, it is now apprehensive that they will accuse it of inconsistency.[21]

The reinforcement of American "safeguards" of Western European "defense" at the expense of increased U.S. military spending (with primary emphasis on the reinforcement of American forces on the European continent and forces held in reserve for the European theater) is intended, according to the plans of U.S. Government leaders, to "unite" NATO around the same basic military policy as in the 1950's and 1960's. The idea of reorganizing NATO to expand the functions of this organization by including socioeconomic issues in its sphere of activity, which was so widely publicized in the first half of the 1970's, has either been forgotten or relegated to a position of secondary importance. This plan, however, would contradict the policies of several leading statesmen in Western Europe toward deeper detente, including detente in the military sphere. It would also be contrary to the interests of an influential segment of the ruling class in the Western European countries, which is making an attempt to preserve the degree of autonomy from the United States in the sphere of international politics that was achieved in past years by means of a relative increase in the economic strength of the Western European "power center."

After evaluating the current, medium-range (2 or 3 years into the future) and long-range prospects for American economic development,[22] sociopolitical conditions in the nation and the international positions of the United States, we must conclude that the objective preconditions exist for more intense and fierce internal political struggle on various levels over the issue of priorities in U.S. government policy. This kind of struggle is now going on, in particular, over the structure of the federal budget. It is also taking broader and more universal form. We should not exclude the possibility, however, of the abatement of this struggle from time to time under the conditions of slight improvement in economic conditions, which can be used by the ruling class to expand its field for social maneuvering without restricting military spending.

The tendency that became apparent this year in this area indicates that the struggle will probably be more intensive and more massive in scale than the debates over "national priorities" at the end of the 1960's and the beginning of the 1970's. We should recall that those debates were largely a result of the negative after-effects of the escalation of aggression in Vietnam.

An indicator of the scales of the coming struggle can be seen, in particular, in the fact that the largest American labor unions are much more actively involved than they were 10 years ago. Moreover, this is taking place against the background of a general revival of the labor movement in the United States.

The struggle over "national priorities" on the threshold of the 1980's is developing under the conditions of an even more substantial decline than that of 10-12 years ago in the international influence of American imperialism, as measured by many economic and political indicators, and under the conditions of the heightened dependence of the American economy on the outside world, particularly in the energy and raw materials spheres. It is probable, however, that America's internal socioeconomic problems are even more complex and confusing and are connected in numerous ways with the international influence of the United States.

FOOTNOTES

1. LE MONDE DIPLOMATIQUE, March 1979.

2. Even before the new budget allocations began to be spent, rightists were already loudly complaining that the 3-percent increase in real expenditures on "defense" would only be possible if the rate of the inflation stayed below 7 percent; the actual rate of inflation in 1979, however, was over 10 percent, which, in their opinion, would completely "devour" the planned real increase in military spending.

3. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 6, 1979, p 19.

4. As a result of the existence of numerous loopholes in the tax laws and the financial manipulations that have been worked out over a period of many decades, a huge discrepancy came to light between

estimated revenues and the taxes that were actually paid. According to the Congressional Ways and Means Committee, the actual tax rate of 168 big companies (including such huge monopolies as Bethlehem Steel, Armco, General Dynamics, Texas Gulf and others) was only 13 percent in 1976, and not the 48 percent stipulated in tax laws. Moreover, 17 companies with a total annual income of more than 2.5 billion dollars did not pay a cent in federal taxes on their profits. As a result, the proportion accounted for by corporate taxes in the total taxes entering the federal treasury has decreased considerably in the last 18-20 years: The figure was 35 percent in 1960, 22.7 percent in 1967 and 16 percent in 1977. The same applies to the income taxes paid by the rich (for more detail, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 2, 1979).

According to the estimates of the Congressional Budget Office, losses in budget revenues for the 1979 fiscal year due to the above mentioned "imperfections" in the tax system will total 136 billion dollars, or up to 20 percent of the entire federal budget. If no changes are made in tax laws, losses for the 1983 fiscal year are expected to rise to 188 billion dollars ("Five-Year Budget Projections: Fiscal Years 1979-1983. Supplement on Tax Expenditures," the Congress of the United States, Congressional Budget Office, Washington, 1978, p ix).

5. The violation of campaign promises is an integral part of the political process in the United States, but the violations of the current administration have exceeded the customary "mean"; this is connected both with the exceptional urgency of current socioeconomic problems in America and with the tone in which these promises were made during the campaign.

6. "Unemployment. Fall-out of the Arms Race. How Military Costs Affect Jobs," Coalition for a New Foreign and Military Policy, Washington, 1978, p 1.

7. The "economic logic" of the budget for fiscal year 1980, in the words of Chairman C. Schultze of the President's Council of Economic Advisers, is that, according to the council's calculations, the limitation of budget expenditures in combination with special government price and wage controls will "cool down" inflation. The de-escalation of inflation, in turn, is expected to increase the business community's "confidence" in economic prospects and stimulate growth of investments in the private sector (BUSINESS WEEK, 29 January 1979, p 74).

8. Throughout all of U.S. history right up to the 1930's, total federal peace-time expenditures did not exceed 3 percent of the gnp. Expenditures on civilian needs did not exceed 1 percent of the gnp. Roosevelt's New Deal of the 1930's led to a significant increase in federal expenditures on domestic needs (up to 5 percent of the gnp). After World War II, military expenditures increased rapidly and

expenditures on domestic goals continued to rise. By the mid-1950's, federal expenditures had reached 17-18 percent of the gnp and the figure continued to rise. Between 1970 and 1975 it remained on the level of 22.5 percent, and in 1977 it was only 22 percent. Whereas in fiscal year 1955 total federal expenditures amounted to 68.5 billion dollars, the figure for fiscal year 1977 was 414 billion, and the planned figure for fiscal year 1980, as mentioned above, is almost 532 billion. Therefore, within 25 years (in current prices), there was almost an 8-fold increase in U.S. federal budget expenditures. In real terms, with allowances for inflation, the increase was naturally much less significant ("Setting National Priorities. The Next Ten Years," edited by H. Owen and C. Schultze, Washington, 1976, pp 325-327; "Setting National Priorities, The 1975 Budget," edited by J. Pechman, Washington, 1977, pp 2-7; "Special Analysis, Budget of the U.S. Government, 1980," Washington, 1979, p 9).

9. The campaigns of that time against the production and purchase of the new strategic B-1 bomber and against the production and deployment of neutron warheads were particularly dynamic and massive in scale.

10. NATIONAL JOURNAL, 27 January 1979, p 124.

11. According to the estimates of the Congressional Budget Office, headed by prominent American economist Alice Rivlin, the budget proposed by Carter for fiscal year 1980 was unrealistic in the sense that the deficit was set at only 29-30 billion dollars. According to Rivlin and her colleagues, the deficit will be at least 41 billion dollars, and this will mean that the sacrifices that have been made and the painful cuts in social programs will be in vain. Lawrence Klein of Wharton Econometric Forecasting Associates predicts a growth rate of 1.4 percent in the real gnp of the United States for 1979 and a rise of 8.7 percent in prices; this means, according to his calculations, that the deficit in the federal budget for fiscal year 1980 will be 40 billion dollars. The prestigious economic council of the TIME Publishing Corporation later agreed with Rivlin's and Klein's estimates (THE NEW YORK TIMES, 26 January 1979; BUSINESS WEEK, 29 January 1979, p 74; TIME, 5 March 1979, p 38).

12. One of the noteworthy events of this campaign was the publication of a new book about Robert Kennedy by famous historian Arthur Schlesinger, Jr, which was apparently intended to erect a bridge connecting the ideas and actions of John and Robert Kennedy (whose tragic deaths endowed their memory with the halo of martyrdom) and the actions of the last Kennedy brother.

13. A new wave of mergers and absorptions among the largest American corporations was witnessed in 1978 and 1979; it was largely a result of the high level of inflation. According to the estimates of many

bourgeois economists, it is much more convenient for corporations to acquire existing enterprises than to invest funds in the construction of new ones or the considerable modernization of their own existing enterprises, since the cost of construction and new equipment is rising more quickly than wholesale prices in general. In connection with this, the giant corporations in the energy sphere were subjected to particularly pointed criticism because they, after earning superprofits from the rising prices of oil and petroleum products, have been in no hurry to invest this money in the development of alternative sources of energy. Instead, they prefer, contrary to the obvious public interest, to use their huge profits to buy enterprises in the service sphere, in which they quickly recover their investment by crowding many existing companies out of the market and driving them into bankruptcy.

14. ESQUIRE, 13 March 1979, p 14.

15. When the AFofL and CIO merged in 1955, U.S. labor unions united more than one-third of all workers; by the end of the 1970's, approximately one-fourth of the U.S. working population belonged to unions. Just between 1975 and 1977 the membership of the AFL-CIO decreased from 14,070,000 individuals to 13,542,000--that is, a decrease of 528,000.

16. These unions include the Association of Machinists, the United Automobile and Aerospace Workers, the Brotherhood of Electrical Workers, the United Electrical, Radio and Machine Workers, the Oil, Chemical and Atomic Workers Union and several others (POLITICAL AFFAIRS, April 1979, p 5).

17. It should be noted that the senators who are prepared to support the SALT II treaty include several who are simultaneously supporting the maintenance of a high level of military spending and the buildup of military efforts even after this treaty goes into effect. Moreover, not all of the senators who have consistently supported the curtailment of the arms race and the renunciation of adventuristic policies in the military and political sphere are equally consistent in other areas pertaining to detente.

18. W. Watts and L. Free, "State of the Nation III," Lexington, 1978, pp 140-165; "American Public Opinion and U.S. Foreign Policy 1979," edited by J. Rielly, Chicago, 1979, pp 10-17.

19. See the NEW YORK TIMES MAGAZINE, 13 February 1977, pp 19-40; U.S. NEWS AND WORLD REPORT, 22 August 1977, pp 16-17; NATIONAL JOURNAL, 27 January 1979, p 128.

20. It should be noted that, in many respects, this program is being carried out in an atmosphere of sharp differences of opinion and contradictions and, consequently, not always according to U.S. expectations.

21. The Washington Administration began to keep a particularly watchful eye on Western Europe after the positions of conservatives and rightist-centrist forces became somewhat stronger as a result of the Conservative victory in Britain's parliamentary elections, the increase in the number of seats occupied by Christian Democrats in the Italian Parliament, the more vigorous activity by opposition forces in the FRG on the threshold of the 1980 Bundestag elections and other developments of this kind.

22. According to the forecasts of such leading American economic research centers as Chase Econometrics, DRI and UEFA, real economic growth will be slower in the 1980's than in the preceding period. One of the leading bourgeois economists in America, J. Forrester, believes that if the "long wave" (or "Kondratiev cycle") of 45 or 60 years is taken into account, a prolonged decline in the American economic is either just beginning or has already begun. This could also be accompanied by short-term recessions, occurring more or less regularly in the American economy ("U.S. Long-Term Economic Growth Prospects Entering a New Era," A Staff Study, Prepared for the Use of the Joint Economic Committee, Congress of the United States, Washington, 1978, pp 25, 102-111.

8588
CSO: 1803

ON LIMITING MILITARY ACTIVITIES IN THE INDIAN OCEAN

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 15-25

[Article by V. P. Kozin]

[Text] The main topic of discussion at the conference of Indian Ocean littoral and continental states, held in New York in July 1979,[1] was the implementation of the declaration of the 26th Session of the UN General Assembly (1971), proclaiming the Indian Ocean a zone of peace. Preparations for a more representative international conference on this matter, which has been planned for 1980, were also discussed.

The final document of the conference stresses the importance of liquidating all foreign military bases in this region. Conference participants expressed their conviction that military forces and weapons, which might threaten the sovereignty, territorial integrity and independence of states in the region, should not be deployed in the zone.

The attention that is now being given to the Indian Ocean and the problem of turning it into a zone of peace is not in any sense the result of temporary factors.

In our day, the Indian Ocean region is one of the most important political-economic and military-strategic regions in the world. Its area (including the Indian Ocean itself and the territory of the 44 littoral and continental states in its basin, officially registered in the United Nations) exceeds 100 million square kilometers, which constitutes one-fifth of the entire earth's surface, or an area three times as large as the African Continent. The region is inhabited by 1.3 billion people, or one-third of the earth's population. The significance of the region does not only rest on the fact that it produces a large portion of several important types of natural raw materials, particularly petroleum. The foreign policy actions and the nature and scales of the military activities of several states in this important region reflect, to a considerable extent, their common willingness to adhere to a course of peace and their determination to "save succeeding generations from the scourge of war."[2]

Against the background of the many favorable economic and political tendencies that have become apparent in the Indian Ocean region, it would be impossible to disregard the obvious accumulation of considerable quantities of weapons and military equipment in this zone, both by nations that are directly adjacent to this basin and by states that are located far from its borders. Around 20 military bases and facilities have been erected in this zone by the United States, Great Britain and France, and more than half of them are either American or can be freely used by American armed forces. Some military bases of various types also belong to Indian Ocean littoral states, such as Australia and South Africa. The expanses of the ocean are cruised by the naval ships of the United States, Great Britain, France, Australia and South Africa. Military exercises and maneuvers are conducted here by the states belonging to NATO and ANZUS.

Recent events in the Indian Ocean region have indicated that the United States is trying to take the lead in creating tension in this region. The United States is still attempting to intervene in the internal affairs of nations of the region, is planning the organization of new military blocs and is trying to increase its own military presence. It is also known that several Indian Ocean states are still stockpiling arms and military equipment in quantities that exceed reasonable defense requirements.

When the abovementioned facts are taken into consideration, it becomes quite understandable that tension in this part of the world would seriously endanger the interests and security of the people of several continents at once. For this reason, it seems natural that attempts are being made to extend the process of political detente, particularly in the military sphere, to the Indian Ocean region. The creation of the necessary conditions for lasting peace and stability in this part of the world would help to warm up the international climate and improve the atmosphere of trust between states, since, as General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev remarked, "real progress in the consolidation of peace and good-neighbor relations in one part of the world could be quite beneficial in the improvement of the entire international atmosphere."[3] It is also important that the experience in making detente a reality in the Indian Ocean could be used when detente is extended to other parts of the world.

In addition to the efforts to transform the Indian Ocean basin into a zone of peace within the UN framework, the Soviet-American talks on the limitation and subsequent reduction of military activity in the Indian Ocean, which began in June 1977, also have a definite role to play in this process. At the June meeting in Moscow and the September meeting in Washington in 1977, the Soviet and U.S. delegations exchanged views on the steps that could be taken by both countries to limit armaments in this zone. Several specific aspects of the matter were also discussed. At a meeting in Bern in December 1977, the Soviet and U.S. delegations discussed mutual proposals on the conclusion of an agreement aimed at the limitation of their military activity in this zone. A joint communique, published 13 December 1977, noted, in particular, that, in the opinion of the two sides, "this kind of agreement would be in both their interests and would promote the further relaxation of international tension and the consolidation of peace and security in the Indian Ocean region."

The talks continued at a fourth meeting in February 1978. A joint press release, published at the end of the fourth round of talks, noted that "the discussion was frank and helpful and contributed to an understanding of the position of each side, thereby creating a basis for continued work."[4]

In spite of this statement, however, the American side declined to resume the talks for a long time after the fourth round in February 1978.

The Soviet Union has long directed the attention of statesmen and politicians, as well as the world public, to the need for real security in the Indian Ocean zone. In a memorandum, submitted by the Soviet Government to the 19th Session of the UN General Assembly on 7 December 1964, in reference to the further relaxation of international tension and limitation of the arms race, the USSR resolutely condemned the attempts of some states, including the United States and Great Britain, to erect new military bases in the Indian Ocean zone. In the document, the Soviet Union expressed support for the proposal to create nuclear-free zones in various parts of the world, including the Indian Ocean.[5] The Soviet Union was the first to propose talks on the limitation and subsequent reduction of military activity in the Indian Ocean, long before the talks actually began in 1977. For example, in June 1971, L. I. Brezhnev said: "We have never believed, and do not believe now, that it is an ideal situation when the naval fleets of great powers engage in lengthy cruises far away from their own shores. We are willing to solve this problem, but only, so to speak, on an equal footing."[6] In the same year of 1971, Soviet diplomatic representatives officially requested the American side to reconsider the limitation of military activity in the Indian Ocean.

"However," American researcher D. Johnson writes, "the United States did not take any steps in this direction."[7] The United States took exactly 6 years to agree to sit down at a negotiation table to discuss the matter.

Some American researchers took an interest in this proposal much earlier. Their studies are of definite interest from the practical and scientific standpoints. What are the ideas expressed by the authors of these studies? What is the essence of their proposals?

First of all, we can clearly distinguish between two basic lines: The first is aimed at the relaxation of tension and military confrontation between the great powers, and the second leads to a continuation of the arms race and the creation of acute conflict situations.

One of the first to support a dialog on arms limitation in the Indian Ocean was W. Barnds, expert on Asian affairs, who published an article entitled

"Arms Race or Arms Control in the Indian Ocean?" in 1972. His draft "agreement on naval arms limitation" included, although with certain provisos, a ban on the entry of this zone by new contingents of armed forces. The idea of the "complete neutralization" of the Indian Ocean was proposed in 1971-1973 by Columbia University Professor H. Wriggins. In essence, this idea proposed that the great powers, after concluding a multilateral agreement "on arms control," would promise, on the condition that all littoral states in the basin would also agree to limit their naval forces, to not send any naval ships into this zone.[8]

After analyzing several international treaties and agreements on the limitation of naval armaments, B. Blechman, Brookings Institution research associate, drafted two types of agreements on the limitation of naval armaments in the Indian Ocean. The first type--the so-called denuclearization agreement--envisages the declaration of the Indian Ocean to be a partially nuclear-free zone, in which submarines carrying nuclear weapons on board will be prohibited (missile-launching submarines are excluded from the agreement). The second type of agreement, which, in the author's opinion, could be more readily concluded, is the so-called disengagement agreement. It is based on the principle of establishing "minimal, zero-based limits" on the quantity, tonnage and duration of visits of naval ships in the ocean.[9] The study includes Blechman's "Draft Agreement Between the USSR and the United States on the Limitation of Naval Presence in the Indian Ocean." Although he supports this kind of agreement, Blechman nonetheless expresses the fear that it would weaken U.S. military potential in the region and complicate the offer of support to allies, particularly Israel.[10]

In his book, "U.S. Strategy in the Indian Ocean: The International Response," M. Bezboruah spoke in favor of an agreement on the limitation of naval armaments on a multilateral basis. In his opinion, Great Britain, France and several littoral states could take part in the Soviet-American talks on the limitation and subsequent reduction of military activity in the ocean. After analyzing the debates in the U.S. Congress over the military activity of the U.S. Navy in the Indian Ocean between 1974 and 1976, M. Bezboruah concluded that "the talks on the limitation of naval armaments would be a truly ideal instrument for curtailing the costly and potentially dangerous arms race in the Indian Ocean, which is hardly likely to guarantee the United States the advantage." Acknowledging that the position of the United States in this region is stronger, from the military standpoint, than the position of the Soviet Union (the author's conclusion was based on numerous factual data taken from official American sources), M. Bezboruah worked out a plan for the "fundamentals of U.S. policy in the Indian Ocean," in accordance with which the United States should discard its plan to enlarge naval and air force bases on Diego Garcia and to deploy ground forces consisting of more 500 troops, as well as nuclear weapons, including the basing of strategic submarines in the region of this island or other islands of the Chagos Archipelago. Bezboruah feels that the United States can only send its naval forces into this zone on courtesy visits; U.S. naval forces in the Indian Ocean should be limited at all times to five fighting ships: an aircraft carrier, three destroyers and a flagship.[11]

Questions of military strategy in the Indian Ocean were the subject of a study by D. Tahtinen, assistant director for foreign and defense policy affairs of the American Enterprise Institute for Public Policy Research. He and his co-author, J. Lenczowski, use factual material to prove that U.S. armed forces in the Indian Ocean are now superior in strength to the forces of any other state. According to their calculations, the states located in this region also have "considerable" armed strength. For example, in 1977 the 24 countries of the Indian Ocean basin had more than 800 ships, over 50 submarines (diesel-powered), and more than 3,000 fighter planes. The presence of Great Britain and France is also quite perceptible--an average of 10-15 ships a year.[12] Taking this level into account, the authors of the study proposed that the presence of foreign naval ships in the Indian Ocean be reduced to 6-8 units for each state, and that aircraft carriers and atomic submarines with ballistic missiles on board be prohibited from visiting the region.[13]

When they calculate the quantitative level of naval presence in various parts of the world ocean, several American researchers use special mathematical formulas, derived from four types of initial data: the number of ships arriving, their tonnage, the number of ports visited and the duration of their stay. Depending on the combination of these data, four formulas can be used to determine the level of presence: "u=sd," "u=pd," "u=td" and "u=std," where "u" stands for the level of presence, "s" stands for the number of ships, "t" stands for tonnage, "p" stands for the number of ports visited and "d" stands for the number of days the vessel stayed. The level of presence is calculated by multiplying the days stayed by other indicators (for example, according to the formula u=sd, the level of presence of two vessels staying 10 days will be 20 "sd" units). The indicators used in the formulas give them their respective names: "ship-days," "port-days," "ton-days" and "ship-ton-days."

The use of the "ship-days" formula to determine the level of presence was proposed in 1975 by Senators J. Culver, G. Hart and P. Leahy, as well as researcher R. Kilmarx.[14] Later, the formula was also used by other authors (M. Bezboruah, B. Blechman, F. Vali, A. Cottrell, K. Misra and others). But the calculations derived from the "ship-days" formula produced completely different results for different authors, even when they were calculated for the same year. For example, when F. Vali calculated the level of presence of Soviet ships in 1973, he came up with 2,487 units, while B. Blechman came up with 9,000, although both of them cited documents of the U.S. Congress and Department of Defense.[15] Besides this, when American researchers make calculations of this kind, they include not only naval ships in the initial data, but also vessels conducting scientific experiments and space communications maintenance vessels. Many of the Soviet Union's "ship-days" are the result, in the first place, of Soviet ships passing through the Indian Ocean in transit, headed for the coast of the Soviet Far East; secondly, because the USSR does not have military bases and installations in the Indian Ocean, it must send auxiliary service ships here (fuelers and repair ships). Not all authors have acknowledged that some of the Soviet ships were in the Indian Ocean during the 1972-1974 period in order to clean and demine the Bangladesh port of Chittagong and the Gulf of Gubal (Red Sea) after the events of 1971-1972 on the Hindustani subcontinent and the war of 1973 in the Middle East.[16] All of these facts are absolutely invisible behind the "ship-days" formula. Even with errors of this kind, however, the data obtained by American researchers have not been in the United States' favor. For example, the tables presented by A. Cottrell and W. Hahn indicate that the average arithmetical proportion accounted for by naval "ship-days" in the total "ship-days" for all vessels in the ocean between 1968 and 1975 is 65.37 percent for the United States and 32.95 percent for the USSR.[17] A group of UN experts engaging in calculations of this kind established that "the overwhelming majority of the Soviet Union's 'ship-days' were accumulated by non-military vessels."[18]

The main defect of the "ship-days" formula, just as, incidentally, of other formulas, is that ships are calculated as equal statistical units, with no consideration for class, armaments, tonnage and several other important indicators. It is obvious that 10 "sd" for a minesweeper are not equivalent to 10 "sd" for the aircraft carrier "Constellation," which is 123.5 times as heavy as the minesweeper and which carries up to 100 fighting planes on board, including missile-launching bombers. It is not surprising that several researchers have concluded that the level of presence calculated according to the "ship-days" formula can be "misleading."[19]

The "port-days" formula also suffers from a defect. It is convenient for states with a diversified network of military bases and supply points; their ships can sail for a long time without entering foreign ports to replenish their stocks of fuel and foodstuffs. According to A. Kelly, more than 80 percent of the foreign port visits of Soviet ships were dictated precisely by these needs.[20] Soviet ships must visit foreign ports because they do not have the kind of supply points the United States has. This is done with the full consent of the states visited and in accordance with established international practice. When Soviet ships enter foreign ports, they are not pursuing any goals other than the replenishment of fuel and food supplies or the payment of courtesy visits.

As for the "ton-days" formula, American researchers strive to say little or nothing about it. The calculation of the level of presence with the aid of this formula would produce a stupefying U.S. indicator (for example, the level of presence of the "Constellation" during 6 weeks in the waters of the Indian Ocean from the beginning of March to the middle of April 1979 would exceed 3 million "td" units).[21]

In scientific articles published at the time of the Soviet-American talks on the Indian Ocean, American authors proposed the use of a combination of the "ship-days" and "ton-days" formulas to determine the level of naval presence--that is, the "ship-ton-days" formula.

R. Haass, research associate at the London Institute for Strategic Studies, also proposed that ceilings be set on this basis--12.5 million "std" units a year for each nation. He worked out a special "model for Soviet-American agreement on levels of presence in the Indian Ocean" based on the "ship-ton-days" formula. The author of the model stipulates that the sides can, at their own discretion and within the limits of the specified quota (12.5 million "std" units a year), substitute one ship for another and increase or decrease the duration of the ship's stay in the ocean. Haass believes that an agreement on the limitation of naval armaments should include two basic principles: the renunciation of arms race escalation and "balanced military presence." During the initial 5 years the treaty is in effect, the expansion of the group of its signatories to include the littoral states of the Indian Ocean basin and other countries not located in this region should be discussed. A "permanent international commission" should be created to settle questions pertaining to military presence in the ocean. Just as several other American authors, he wishes to retain the U.S. military base on the island of Diego Garcia, which, in his words, "is not a base at all."[22]

On the whole, the "Haass model" not only seems extremely unbalanced and asymmetrical--the American Navy is to be given great leeway in the classes of ships, whose total tonnage is 4.4 times as great as the tonnage of Soviet ships (123,320 tons in comparison to 28,000 tons)--but is also obviously aimed at the acquisition of unilateral advantages by the United States.

Retired Rear Admiral R. Hanks, who once headed the U.S. Navy's Office of Strategic Planning and Policy, also proposed the use of the "ship-ton-days" formula in the talks on the Indian Ocean. After criticizing President J. Carter's idea concerning the "total demilitarization" of the Indian Ocean, which the President had set forth on 9 March 1977, Hanks advised the administration to take a tough stand on the question of maximum presence ceilings at the talks on the limitation of military activity in this zone. Just as R. Haass, R. Hanks also supports the imposition of unilateral bans or limits on visits by Soviet space communications maintenance vessels and even fishing vessels.[23]

An analysis of these four formulas proves, therefore, that they present a distorted view of the level of military presence. The data obtained with the aid of these formulas do not reflect the qualitative characteristics of ships.

In spite of the preparations for the Soviet-American talks on the limitation of military activity in the Indian Ocean and the actual talks themselves, the United States continued to build up its military presence in this region, which is already more than a decade old. It was established in 1948, when three American ships, making up the Middle East task force of the Navy, appeared in the Persian Gulf. From this time on, U.S. naval activity in this region increased with each year. Since 1 January 1972, it has been part of the sphere of operations of the 7th Pacific Fleet. At the time of U.S. Vice-President W. Mondale's Australian trip in the spring of 1978, the question of including the ocean in the ANZUS zone of activity was also discussed; this has already been accomplished. Military maneuvers and exercises are regularly conducted in the ocean itself and in regions adjacent to it by countries belonging to NATO and ANZUS and several non-bloc states. Between January 1971 and July 1979, 18 American carrier task forces passed through the Indian Ocean, including three nuclear task forces. Between 1972 and July 1979, the U.S. Navy resorted 21 times to a "show of strength" against states in this basin, including this year's "show of strength" in connection with the events in Iran and in the south of the Arabian peninsula. Whereas in 1978 the presence of U.S. naval ships in the Indian Ocean increased threefold, it increased sixfold just during the first 7 months of this year. In the first half of 1979, 14 U.S. naval ships entered this zone. The aircraft carriers "Constellation" and "Midway" visited the ocean. In July--that is, while the conference of Indian Ocean littoral and continental states was going on in New York--another five American ships were sent to this region. At the same time, the United States has been intensively enlarging the base on Diego Garcia and modernizing military facilities in other parts of the ocean. According to reports in the foreign press, the United States conducted secret negotiations with the South African Government on the conversion of the South African military base of Simonstown into a new support point for NATO at the spot where the Indian and Atlantic oceans meet.

The debates in Congress over the military activity of the American Navy in the Indian Ocean, just as the actions of some past administrations, show that those who support confrontation in this region are able, in the majority of cases, to defeat those who advocate caution and restraint. Admiral E. Zumwalt, former naval chief of staff, mentions in his memoirs that the supporters of stronger U.S. military presence in the Indian Ocean believe that it should be "permanent, regular and, if possible, coordinated with the British, Australians and other allies who have naval ships for this purpose."[24]

During the course of numerous debates in Congress and consultations with allies, as well as in statements by U.S. leaders, one of the aspects of the current U.S. Administration's strategy has been defined--"global naval presence." For example, on 10 April 1978, Secretary of Defense H. Brown announced the Pentagon's intention to continue sending U.S. fighting ships "to any part of the world, regardless of whether military operations will be conducted there."[25] Later, on 5 August 1978, at the launching of the cruiser "Mississippi" in Norfolk (Virginia), the same idea was expressed by President J. Carter. When H. Brown visited the Middle East in February of this year, the question of sending new shipments of American weapons to this region was discussed, as well as the strengthening of naval presence and the "more effective use" of the American base on Bahrein.

Subsequent public statements by H. Brown and J. Schlesinger (then U.S. secretary of energy) in reference to the American military presence in the Persian Gulf zone reflected more than just the plans of Pentagon strategists. At the beginning of March 1979, the first reports were heard that the National Security Council and the Joint Chiefs of Staff had begun to investigate the concrete possibilities for sending task forces of American ships with Marines and aviation to the Persian Gulf zone and creating a separate carrier fleet in the Indian Ocean.

The peace-loving people of the Indian Ocean region were disturbed by the news that the Pentagon was seriously considering the creation of a fleet (probably the 5th), consisting of 15-50 ships and 2 aircraft carriers, to be permanently based in the Indian Ocean.

This is not the first time that plans to create a separate fleet in yet another of the world's oceans have been considered in the United States. The question was first debated in the 1960's, and again in the 1970's. In the summer of 1971, during the course of debates in a committee of the House of Representatives of the U.S. Congress, the creation of a separate U.S. naval command in the Indian Ocean zone was substantiated and, in addition, the possibility of coordinating the actions of the fleets of the United States, Great Britain and France was considered.[26] It is true that the creation of a permanent fleet was then judged inexpedient for a number of reasons, including financial considerations (this would have cost the American taxpayers around 9 billion dollars).[27] Considering the rising cost of naval shipbuilding and the inflationary tendencies in the U.S. economy, the creation of a special fleet in the Indian Ocean would now cost the Americans 12-15 billion dollars.[28]

Since January of this year, the American press has been filled with reports about the plans to create a "rapid-response corps" of 110,000, for use in this region and in other "hot spots" of the world, where the United States is striving to protect its economic interests, not by means of honest and mutually beneficial trade, but by means of the notorious "emergency brigades." The "corps" is expected to include the 82d Airborne Division, the 101st Air Mobile Division, 2 Marine divisions, up to 1,000 fighter planes and bombers and from 2 to 4 naval units, including aircraft carriers.[29] The end of 1978 and the first half of 1979 represented a unique culminating point of U.S. statements in defense of stronger U.S. military presence in the Indian Ocean region, particularly the Persian Gulf and the Middle East.

When the Interdepartmental Policy Studies Commission met in the White House this year on 21-22 June, "special recommendations" were submitted to the President in regard to stronger American military presence in the Middle East and the Indian Ocean. According to informed sources, these recommendations represent a "turning point in American policy" in this region and will lead to "the gradual and considerable build-up of U.S. naval and air force strength in the region during the current year." In accordance with a decision adopted at this meeting, the Pentagon was requested to draw up a plan for the possible use of American armed forces in the region, envisaging the creation of a permanent U.S. fleet in the Indian Ocean, increased shipments of weapons and "closer military planning with the pro-Western states in the region."[30]

The American naval presence in the Indian Ocean and the plans for its considerable augmentation are justifiably arousing concern in the states of this region. American policy in the zone has recently been condemned by representatives of Afghanistan, India, Iraq, Iran, Kuwait, Sri Lanka, Ethiopia and other states.

Washington's course toward more intensive military activity in the Indian Ocean was also pointedly criticized at the New York meeting of Indian Ocean littoral and continental states. Despite the growing opposition to American plans in the Indian Ocean, however, the American representative at the conference, T. Wilkinson, declared that his nation was reserving the right to maintain military bases in the region and send naval ships there, including ships carrying nuclear weapons. He also announced that several of the key provisions of the plan worked out at the conference for the creation of a zone of peace were unacceptable to the American side.

The Soviet side expressed an essentially positive attitude toward the idea of turning the Indian Ocean basin into a zone of peace and simultaneously reaffirmed its willingness to resume the Soviet-American talks that were broken off in February 1978. The Soviet Union has repeatedly insisted on the need to continue these talks, including at a special session of the UN General Assembly on disarmament in 1978 and at its regular 33d Session,[31] as well as in a number of official documents. A joint Soviet-Indian communique, published at the end of an official friendly visit to India by Chairman A. N. Kosygin of the USSR Council of Ministers (9-15 March 1979), states that "India highly commends the USSR's willingness to resume these talks." Both sides advocated their "immediate resumption and successful conclusion," which, in their opinion, would contribute to the implementation of the UN declaration proclaiming the Indian Ocean a zone of peace.[32]

When Soviet First Deputy Minister of Foreign Affairs G. M. Korniyenko mentioned, at a press conference held in January 1979 in connection with the conclusion of the discussion of disarmament issues at the 33d Session of the UN General Assembly and the beginning of the Disarmament Commission's work in Geneva, that the American side had refused to resume the Soviet-American talks on the limitation of military activity in the Indian Ocean on various pretexts, he stressed that the actual reason was the "Pentagon's reluctance to restrict its own activity in the Indian Ocean."[33] The same motive was also cited by the American U.S. AND WORLD REPORT, when it noted the White House's total lack of interest in the resumption of these talks: "This kind of agreement would restrict the United States."[34]

The Soviet Union's efforts aimed at the quickest possible resumption of these talks caused the American side to consent to an "immediate meeting" of representatives of the two countries "to discuss the possibility of resuming the talks." The necessary agreement was reached at the time of General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev's meeting with U.S. President J. Carter in Vienna and was recorded in the joint Soviet-American communique of 18 June 1979.

Participants in the conference of Indian Ocean littoral and continental states applauded the agreement reached in Vienna on an immediate meeting of Soviet and U.S. representatives to discuss the question of resuming these talks.

Obviously, the task now consists in putting this agreement to practical use. When they draw up a convention on naval arms limitation in the Indian Ocean, including ceilings on the number of ships visiting foreign states, participants in the negotiations could be guided by the principles set forth in the Final Document of the Special Session of the UN General Assembly on Disarmament: The reduction of weapons and armed forces without endangering the security of any state "is possible with a lower level of arms and armed forces."

When the basic principles of this convention are determined, consideration could be given to the experience accumulated in the conclusion of several earlier international treaties and agreements on naval arms limitation, concerning limits on classes, weapons, tonnage and duration of ship visits. The proposals made by several authors, concerning the prohibition of aircraft carriers and missile-carrying submarines from entering the ocean, deserve consideration. Obviously, more comprehensive and all-encompassing measures could be worked out an implemented in this region in the future, eventually leading to the stage of real disarmament. The attainment of this goal would be fostered by a situation in which the limitation and subsequent reduction of military activity would extend not only to the Soviet Union and United States, but also to other states (for example, Great Britain, France, Australia, South Africa and Saudi Arabia). The liquidation of foreign military bases and installations, as well as similar facilities belonging to a number of littoral states, would contribute greatly to the rapid transformation of the Indian Ocean into a zone of peace.

When various aspects of disarmament are discussed during the course of bilateral and muitilateral negotiations, the Soviet Union is guided by the principles of equality and the equivalent security of all sides, the maintenance of approximate parity of strength, the impermissibility of unilateral advantages for any side, the strict fulfillment of commitments, full respect for the sovereignty of other states and nonintervention in their internal affairs. These principles could also be included in the agreement on the limitation and subsequent reduction of military activity in the Indian Ocean.

At a press conference on 25 June 1979, A. A. Gromyko, Soviet minister of foreign affairs and member of the CPSU Central Committee Politburo, said the following in reference to the limitation of military activity in the Indian Ocean: "We are in favor of the agreement. It is needed not only by India and other littoral states. It is needed by the Soviet Union and the United States, it is needed by the world."[35]

The United States, however, in spite of the Vienna agreement, has declined to make any definite decisions in regard to the resumption of Soviet-U.S. talks, particularly the date of the next meeting. Apparently, forces insisting on an overtly militaristic policy in the Indian Ocean basin have the upper hand in Washington at the present time.

FOOTNOTES

1. In addition to the 48 countries of the Indian Ocean region, 14 other naval powers, which make extensive use of Indian Ocean sea lanes, including the USSR, the United States, Great Britain, France and the FRG, were invited to take part in the conference.

2. "The Charter of the United Nations. Preamble."

3. L. I. Brezhnev, "O vneshney politike KPSS i Sovetskogo gosudarstva. Rechi i stat'i" [On the Foreign Policy of the CPSU and the Soviet State. Speeches and Articles], Moscow, 1978, p 671.

4. PRAVDA, 22 February 1978.

5. "Vneshnyaya politika Sovetskogo Soyuza i mezhdunarodnyye otnosheniya. 1964-1965 gody" [The Foreign Policy of the Soviet Union and International Relations. 1964-1965], Moscow, 1966, pp 85, 88.

6. L. I. Brezhnev, Op. cit., p 195.

7. "Current Issues in U.S. Defense Policy," Ed. by D. Johnson and B. Schneider, N.Y., 1976, p 94 (for a translation, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1977, pp 81-84).

8. W. Barnds, "Arms Race or Arms Control in the Indian Ocean?" AMERICA, 14 October 1972, pp 280-282; H. Wriggins, "American Interests in the Indian Ocean," "The Indian Ocean: Its Political, Economic and Military Importance," Ed. by A. Cottrell and R. Burrell, N.Y., 1973, pp 363-375. The idea of "neutralization" was earlier set forth by Englishman D. Watt (D. Watt, "Britain in the Indian Ocean: Diplomacy Before Defense," THE POLITICAL QUARTERLY, vol 42, No 3, July-September 1971, pp 306-315).

9. B. Blechman, "The Control of Naval Armaments: Prospects and Possibilities," Wash., 1975, pp 37, 39-41; see also the review of this book in SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 1, 1976, pp 108-110.

10. B. Blechman, Op. cit., p 69.

11. M. Bezboruah, "U.S. Strategy in the Indian Ocean: The International Response," N.Y., 1977, pp 221, 98, 223-224.

12. D. Tahtinen with the assistance of J. Lenczowski, "Arms in the Indian Ocean: Interests and Challenges," Wash., 1977, pp 10-11, 46-76; see also the review of this book in MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 8, 1978, pp 140-142.

13. D. Tahtinen, Op. cit., p 42.

14. CONGRESSIONAL RECORD, 17 July 1975, p S12857; R. Kilmarx, "Soviet-U.S. Naval Balance," Wash., 1975; see also B. D. Yashin, "Some American Approaches to the Problems of Peace and Security in the Indian Ocean," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 1, 1978, pp 49-58.

15. F. Vali, "Politics of the Indian Ocean Region: The Balances of Power," N.Y., 1976, p 179; B. Blechman, Op. cit., p 95.

16. Working under difficult climatic conditions in Bangladesh from May 1972 through June 1974, Soviet sailors swept around 600 square miles of water in the port of Chittagong and raised 26 sunken vessels with a total water displacement of 100,000 tons (see IZVESTIYA, 11 July 1979).

17. Calculated on the basis of the data presented in the book: A. Cottrell and W. Hahn, "Indian Ocean Naval Limitations: Regional Issues and Global Implications," N.Y., 1976, p 22.

18. Doc. UN A/AC, 159/1 of 12 April 1974.

19. See, for example, M. Bezboruah, Op. cit., p 96.

20. A. Kelly, "Port Visits and the Internationalist Mission of the Soviet Navy," "Soviet Naval Influence: Domestic and Foreign Dimensions," Ed. by M. McGuire and J. McDonnell, N.Y., 1977, p 514.

21. THE BANGLADESH TIMES, 21 April 1979.

22. R. Haass, "Naval Arms Limitation in the Indian Ocean," SURVIVAL, March-April 1978.

23. R. Hanks, "The Indian Ocean Negotiations: Rocks and Shoals," STRATEGIC REVIEW, Winter 1978, pp 18-27.

24. E. Zumwalt, Jr., "On Watch. A Memoir," N.Y., 1976, p 363.

25. "Hearings on Military Posture and Human Rights. Department of Defense. Authorization for Appropriations for FY 1979," Committee on Armed Services, House of Representatives, February-April 1978, Wash., 1978, p 1132.

26. See V. F. Davydov, "American Strategy in the Indian Ocean," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1972, p 72.

27. M. Bezboruah, Op. cit., p 115.

28. TIMES OF INDIA, 14 April 1979.

29. U.S. NEWS AND WORLD REPORT, 12 March 1979, p 24.

30. THE NEW YORK TIMES, 28 June 1979.

31. In particular, at the 33d Session of the UN General Assembly, the USSR voted in favor of a resolution containing an appeal for the immediate resumption of negotiations, while the United States abstained from the vote.

32. PRAVDA, 16 March 1979.

33. Ibid., 26 January 1979.

34. U.S. NEWS AND WORLD REPORT, 12 March 1979, p 25.

35. PRAVDA, 26 June 1979.

8588
CSO: 1803

RESEARCH AND DEVELOPMENT: AMERICA'S PROBLEMS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 26-38

[Article by V. M. Kudrov]

[Text] In its continuous advance, technical progress not only leads to the constant improvement of the means of production, but also, by augmenting the qualitative potential of science and technology, necessitates a transfer from one set of technical conditions to another, when fundamentally new technical designs are used as a basis for the creation and distribution of fundamentally new systems of machinery and technology, which make considerable changes in the forms of production collectivization, division of labor and cooperation by the total labor force. The contemporary technological revolution signifies the acceleration of technological progress through the organic association of science with production, which gives rise to changes in all elements of productive forces.

The history of the evolution of productive forces in the United States conclusively demonstrates that the expansion of the scales of production, the creation of a mature industrial structure and the transfer of the national economy to the primarily intensive type of reproduction is accompanied by the increasingly obvious regrouping and rearrangement of factors of economic growth in the direction of a diminished role for traditional factors (total fixed capital, investments and manpower) and a considerably augmented role for new factors connected with the technological revolution (science, education, the organization of production and qualitative advances in the technical system, the labor force and the manufactured product). It can be said that the wealth of society now depends greatly on the developmental level of scientific research and the utilization of its results in production. For this reason, and as a result of the intensification of the struggle between firms and between imperialist powers and the economic, military and technical competition between the two systems, there has been a considerable increase in research and development expenditures in the United States since the war and the technological potential of the nation has been strengthened (see Table 1).

Day-to-day expenditures on research and development are now completely comparable to capital investments in terms of scales, and in some cases they surpass them considerably. For example, research and development expenditures in the U.S. processing industry are already equivalent to over 50 percent of capital investments in this branch, they are almost twice as high as investments in electrical engineering, and they are almost seven times as high as investments in the aerospace industry.[1] On the whole, expenditures on research and development represent 2.3 percent of the value of the processing industry's product sales, and electronics, aviation and instrument-making firms and other companies requiring high scientific input are already spending 6-15 percent of their sales revenues on research and development, which, in the opinion of American experts, guarantees them heightened dynamism, a solid position in the market and goods with high competitive potential.[2] According to data in the American press, indicators of production growth and the creation of new jobs are approximately twice as high in firms using the latest technology as in firms using outdated technology. According to many experts, expenditures on research and development today represent the major factor in the augmentation of competitive potential, the improvement of product quality and the conquest of new sales markets. An important role is also assigned to research and development in the area of foreign and foreign economic policy. Last but not least, by using the results of research and development, American imperialism and, in particular, its transnational corporations hope to gain economic control over developing countries.

Table 1

Research and Development Expenditures in the United States

	1953	1960	1965	1968	1970	1975	1977	1978
In billions of dollars, in current prices	5.1	13.5	20.0	24.6	25.9	35.2	42.9	47.3
In billions of dollars, in 1972 prices	8.7	19.7	27.0	29.8	28.4	27.7	30.3	31.1
In percentage of GNP	1.40	2.05	2.93	2.84	2.65	2.32	2.30	2.30

"National Patterns of R and D Resources, 1953-1978-1979," NSF 78-313; "Science Indicators 1976," Wash., 1977, p 184; SCIENCE RESOURCES STUDIES, 1 May 1978, NSF 78-304, p 3; "Economic Report of the President," Wash., 1975, p 249.

Experience has shown that, in an attempt to outdo socialism in the economic competition between the two systems, the capitalist world, especially American imperialism, is relying mainly on rates and scales of technological progress. The political purpose of this strategy--just as, incidentally, that of the multitude of bourgeois theories and forecasts concerning the creation of a "technotronic" or "post-industrial" society, which will supposedly be governed by an "intellectual elite" rather than by a financial oligarchy--consists in presenting the people of the world with an "alternative" to the Marxist-Leninist doctrine of proletarian revolution and communism, and thereby reinforcing the positions of the capitalist system in the world.

The Actual Subordination of Science to Capital

The sphere of scientific activity in the United States today, in contrast to the past, performs important production functions and has a definite influence on national production. Science is becoming an organic part of production.

In our day, capitalism is taking every opportunity to make extensive use of science in its own interest on various levels of the administrative hierarchy; the opinions of research scientists are becoming an important factor, if not the main one, in decision-making in the most diverse fields: from production to domestic and foreign policy.

K. Marx wrote that the "application of science, this general product of social development, to the direct process of production would represent the productive force of capital, and not the productive force of labor."[3] The practical use of research findings under capitalism primarily serves the interests of maximum profit and increased exploitation. It is not at all essential that the exploitation norm, calculated according to the materials of famous statistical publications, rise, since complex economic and social processes do not always fit into the narrow framework of quantitative measurements, not to mention class interests that are not totally positive. The actual subordination of science to capital, or its capitalization, is reflected in the fact that contemporary production simply cannot exist without constant "top-dressing" with the results of private or requisitioned research and development.

Large American industrial concerns spend amazing sums on research and development, sometimes amounting to hundreds of millions or even over a billion dollars a year, which exceeds the expenditures of other countries. For example, the 36 largest U.S. firms annually spend over 100 million dollars each on research and development, and three of them (General Motors, IBM and Ford) spend 4.3 billion dollars, or 20 percent of all research and development expenditures in U.S. industry.[4] In relative terms (in percentage of sales volume), however, these corporations are lagging behind, and the leaders are smaller firms, such as Water Associates (16.1 percent), Comten (13.9 percent), Intel (10.4 percent), Data General (10.1 percent), Hewlett-Packard (8.9 percent) and others.[5]

Nonetheless, General Motors, for example, spends approximately the same amount on research and development as all of English industry, and General Motors and IBM combined spend more than all of English industry combined with government appropriations for industrial research and development.[6]

In terms of the monopolization of research resources, the sphere of scientific activity is far ahead of the production sphere. It is known that the 300 largest American firms account for more than 80 percent of total research and development expenditures in industry, including 15 percent accounted for by the four largest.[7] In 1957, 71 percent of all scientists and engineers employed in U.S. industry worked for firms with more than 5,000 employees, but in the beginning of the 1970's the figure had already exceeded 85 percent.[8] As the initial, generating and creative part of the scientific-production process, the sphere of scientific activity stimulates the concentration and monopolization of production, and represents, in particular, one of the factors contributing to the formation of so-called conglomerates.

The process of the capitalization of science in bourgeois society has fundamentally changed the social status of the scientist. Today the researcher is at the center of events. He has become a hired worker, used repeatedly and in many fields: as a university instructor, a lab supervisor, a consultant or researcher contracted by a government agency or private firm, a member of a council of experts, and so forth. The exploitation norm here is particularly high, since the researcher's workday is not limited at all to the 8-hour framework, and the effect of his labor per unit of time is much higher than the average due to its more complex nature. The scientist today is primarily a worker, a producer of products, who increases value and surplus value. The usefulness of his activity is tested in practice. Capital has seized science in its powerful clutches and is using it in its own interest.

The increasing capitalization of the sphere of scientific activity is attested to by the recent appearance of unemployment among scientific personnel. Unemployment in the sphere of U.S. research and development began to rise at the beginning of the 1970's: In 1971 the rate of unemployment for scientists and specialists was 2.9 percent, and in 1975--that is, during a period of economic crisis--it rose to 4.2 percent.[9] Everyone knows that the United States has been suffering from a "brain drain." But the attraction of foreign scientists and specialists to the United States is precisely regulated by the U.S. Administration and has little to do with humane considerations or the general interests of science. Everything depends on the needs of capital: Under the conditions of an economic boom, the demand for foreign scientists and specialists rises, but when economic activity declines, this demand also falls and the new arrivals are the first to join the army of unemployed.

The laws of the competitive struggle have already become firmly entrenched in bourgeois science. Approximately three-fourths of U.S. federal appropriations for research and development[10] are paid to outside sources on a commercial basis in accordance with contracts, the quality of which is thoroughly checked by an expert service, which has now become a weapon in the competitive struggle and a guide in the choice of proposed research projects.

Structure and Effectiveness of Expenditures on Research and Development

One of the characteristic features of the organization and financing of research and development in the United States is decentralization due to the lack of a single administrative or coordinating center. At the MINESPOL II Conference, held in Belgrade in September 1978, Director Atkinson of the U.S. National Science Foundation announced that, in his opinion, the United States would never permit the creation of a Department of Science and Technology as part of the administration, responsible for the management of technological progress in various fields of production and knowledge in a centralized manner. Research and development in the United States are conducted in four sectors, interacting with one another on a commercial basis: the laboratories of private industry, government research centers, university labs and institutes and the research offices of philanthropic foundations.

A fairly stable functional structure of research and development expenditures has taken shape in the United States, with its patterns indicating proportional expenditures on fundamental and applied research and development projects. For example, expenditures on fundamental research constitute approximately 13 percent of all research and development costs, applied research accounts for 22 percent, and development accounts for 65 percent.[11] Whereas most of the applied research and development projects are conducted by private industrial firms (56 and 82 percent in 1977), most of the fundamental research is conducted by U.S. universities, which are responsible for 54 percent of all theoretical studies in the nation.

The laboratories, institutes and scientific centers of American universities are generally equipped with modern research technology, extensive libraries and complex data systems. Much of the computer strength is concentrated in the sphere of research and development (and a good deal is concentrated in the university sector). The universities usually have quite substantial funds for research, received from the government and as a result of their own commercial activity (tuition fees, fees for consultations with scientists, payment for work contracted by private firms, etc.). Besides this, the government essentially turns some of its research centers over to the control of universities. The federal government and "philanthropic" foundations conduct less than 20 percent of all research, although the government sector alone finances 53 percent of all research and development costs in the United States.

As we have already pointed out, virtually no important political or socioeconomic decisions are made by government leaders in the United States and the other developed capitalist countries until scientists have conducted a thorough preliminary investigation into the matter. This applies not only to the development of modern weapons and military strategy, but also to concrete situations in various parts of the world and aspects of technological progress in specific fields. Many scientists work for the government in the United States. It has become common practice to temporarily contract the services of university professors for the performance of advisory functions, the investigation of certain proposals or elements of a general program, and so forth. For this reason, a talented scientist usually performs several functions connected with his field of knowledge simultaneously.

If we wish to discuss the influence of science on day-to-day practice more specifically, we must note the increasing influence of economic science in this respect. It has recently become a serious factor in U.S. politics and economics. The professional economist has gained a firm position in the system of state-monopolistic economic regulation (by means of direct participation in public administration and in top-level decision-making, and by means of indirect participation--the preparation of various types of documents, reports, opinions and so forth on a contracted basis).[12] For this reason, when we assess the technological potential of the United States, we must consider not only the total number of scientific personnel, but also the, so to speak, compounding effect of the actual repeated use of units of this potential.

In our opinion, the dynamics of the development of the U.S. sphere of research and development can be divided into the following three periods: the 1950's and 1960's, the period from 1968 through 1975 and, finally, the period from 1976 to the present. During the first stage, the sphere of research and development grew quite quickly, far surpassing the growth of the GNP. This was primarily extensive growth, connected with the establishment and expansion of the material and technical base of science, the incorporation of this type of activity as a major branch of the national economy, the broad-scale use of the "launching effect" and the employment of the relatively simple factors determining the growth of science itself. In constant prices, expenditures on research and development in the United States increased 3.4-fold between 1953 and the end of 1968, and their proportional share of the GNP rose from 1.4 to 2.8 percent.

Bourgeois scientists began to talk about capitalism's "second wind" and began to associate the brightest prospects with science, right up to the modification of the cyclical development of productive forces.

This was also the time when the impact of research and development expenditures was assessed in various ways by various experts. For example, according to some, the average profitability level of research and development expenditures in U.S. industry is 30 percent, which is twice as high as the profitability of capital investments in industry.[13] Others maintain that a dollar spent on research and development has four times as much impact on economic growth as a dollar invested in plants and equipment.

In spite of all this, the end of the 1960's and the beginning of the 1970's marked a sharp turning point, involving not only a decline in the percentage accounted for by research and development expenditures in the GNP, but also a reduction in the absolute sum of these expenditures, calculated in constant prices: Research and development expenditures in 1975 were approximately 10 percent lower than in 1968. It became clear that the euphoria of the past had burned itself out, and that American capitalism was incapable of effectively using science to attain the long-range objectives of its development on the previous basis.

Reasons for the Decline in Expenditures on Research and Development in 1968-1975

For a correct understanding of the turning point in the research and development sphere, which took place in 1968-1975, it is necessary to consider the fact that the initial stage of the technological revolution in the capitalist world was largely founded on scientific knowledge dating back to the pre-war period and on previous technical methods. Naturally, this does not mean that the initial stage of the technological revolution produced nothing that was fundamentally new. The foundations were laid for the electronics industry; the first revolution in the cybernetization of production, signifying the mass-scale incorporation of computers in the management of economic processes, transpired successfully; and other important fields requiring high scientific input were developed, transforming previous technological processes. At the same time, many old technical designs turned out to have little economic substance; in particular, they could not prevent environmental pollution and could not overcome the growing shortage of traditional raw materials through the exploitation of fundamentally new types of materials. Despite the massive flow of new products and the accelerated renewal of the assortment of manufactured goods, there were relatively few significant inventions. Not enough attention was given to fundamental research, which could have effected the transition to new production principles. Technological progress in the first postwar decades as a whole was founded primarily on applied research and development and emphasized the quickest possible attainment of maximum profit, just as the barbarous use of cheap and accessible oil served as an important factor of economic growth, which has now been exhausted.

The economic and scientific policy of U.S. ruling circles was governed primarily by the criteria of traditional rates of economic growth and the augmentation of production and technical potential, mainly in quantitative terms. All of this also contributed to the exacerbation of raw material and ecological problems, connected with the quality of life in general, which aroused serious public dissatisfaction and, to a certain degree, even a negative attitude toward science itself. The use of technological progress primarily in military fields and prestigious space projects made this dissatisfaction even more pronounced. Against the background of the overall rapid evolution of the research and development sphere and the comparatively high (according to earlier standards) rates of technological progress, stagnant areas appeared in the economy, urban crisis became more acute, and workers began to grow exhausted more quickly as the operational speed of machines increased.

In addition to all this, the scales and complexity of national production and economic life in general in the United States were expanded, necessitating serious progress in administration and organization. It turned out, however, that science had not advanced in this field as much as it had advanced in the technical sphere.

A new situation therefore took shape in the sphere of research and development, necessitating considerable structural change. The need to transfer to the intensive development of this sphere became urgent.

The turning point, which had already begun in American science, was accelerated and properly induced by the accumulation of economic difficulties, the changes that took place in the economy as a result of the raw material and energy crises that began at the end of 1973, as well as the economic crisis of 1974-1975, galloping inflation and the continued exacerbation of the ecological crisis.

The turning point, or structural crisis, in the research and development sphere was quite painful between 1968 and 1975. On one hand, it imposed considerable harm on the national economy, and not just on science, while on the other, it aided in directing the research and development sphere into the channel of intensification, without which its further evolution would have been impossible. The most salient feature of this period was the substantial structural reorganization of the functioning of the entire sphere of scientific activity. It was precisely this duality that was characteristic of the evolution of research and development between 1968 and 1975.

The following important advances, dating back to this period, deserve special mention.

In the first place, the renewal of manufactured product assortments decreased considerably. The emphasis shifted from the development of fundamentally new items to the commercial perfection of known goods--that is, the rates of technological progress slowed down somewhat. The focal point became the consumer, awaiting an immediate impact; many fields of fundamental research were ignored, important experiments in the area of theoretical research were curtailed, some laboratories were closed and scientists joined the ranks of the unemployed. This process was accompanied by the more intense commercialization of the sphere of science and education, which reflected the process of its further capitalization. The principle of the monetary worth of research was assigned primary significance. As a result of this process, there has been a reduction in recent years in the number of innovations of a fundamental nature, and an increase in the number of innovations of an "imitative" nature--that is, ones which introduce no new elements into technology.[14]

In a 1974 report, OECD experts stated that the scientific laboratories (government as well as private) in the nations belonging to this organization were becoming "profit centers" and were being held accountable for the sale and worth of their inventions.[15] All of this has had the predictable effect on capital investment patterns, in which expenditures on modernization have begun to increase.

In the second place, a tendency toward the closer intercoordination and interpenetration of various forms and stages of technological and production processes has become apparent in the practice of research activity on all levels and in all sectors. Applied research is now more closely interconnected with fundamental research, and development is related more closely to applied research. There has been an apparent attempt to reinforce what has always been the weakest link in applied research--experimental work, or the stage of the research process situated between the theoretical result and the development of new products and technology. As a result, closer connections between all stages of research and development are apparent: fundamental research, applied research and development. Almost everywhere, expenditures on research and development, regardless of the stage, are no longer examined in isolation, but as a link in a single science-production chain. This has become a major factor contributing to the effectiveness of the entire science-production cycle.

In the third place, the science policy of government agencies and private firms now displays clearer tendencies toward the more efficient and economical use of research resources. Priority is being given to the use of talented individuals, capable of coming up with unique and new ideas and keeping up with the mounting requirements of technological progress and economic development. The managers of firms are often wary of hiring innovative but untalented and uncreative people, who objectively impose serious harm on the productivity of research.

During the period in question, more attention was given to the organization of research and the augmentation of its yield, particularly through the coordination of scientific activity. In spite of the overall reduction in employment in industrial research and development, employment continued to rise in many branches of engineering and the chemical industry, and resources allocated for research in agriculture, environmental protection and public health increased noticeably. On the whole, however, employment in the U.S. research and development sphere decreased (see Table 2).

The employment of scientists in U.S. industry reached its peak in 1969 after a period of constant and uninterrupted growth. In 1970-1972 the absolute figure dropped, primarily in the aerospace industry and electrical engineering. Since 1973, the employment of scientists in U.S. industry has risen, but it still had not reached the 1969 level by 1977 (apparently, this level will only be surpassed this year). In the aerospace and electrical engineering industries, the increased employment of scientists was not witnessed until 1977.

In the fourth place, new difficulties and contradictions in the social sphere of the capitalist states and the relaxation of international tension resulted in a structural reorganization of research and development expenditures in the direction of a rise in the proportion of "economically motivated" research projects, more closely connected with the augmentation of labor productivity and the competitive potential of goods. Under the influence of these factors, a particular segment of the U.S. public became more dissatisfied with the costly research programs aimed at the satisfaction of military and prestigious interests. It is not surprising, therefore, that the percentage of expenditures on military and space research decreased during this period.

Table 2

Number of Scientific Personnel in U.S. Industry in 1968-1977, in thousands; calculated in full working day units*

Branches	1968	1969	1970	1975	1977
Total	376.7	387.1	384.1	360.8	380.4
Chemical	38.9	40.1	40.2	45.4	46.8
Petroleum	9.2	10.0	9.9	8.4	8.7
Industrial rubber	6.1	6.6	7.4	8.3	9.2
Construction materials	4.1	4.2	4.6	4.4	5.0
Metallurgy	5.9	6.2	6.3	5.5	8.6
Metal working	5.6	6.6	5.9	7.4	7.2
General engineering	37.4	39.8	42.3	52.3	56.4
Electrical engineering	98.4	100.4	100.6	82.2	84.0
Transport engineering	24.3	25.2	25.5	27.8	28.7
Aerospace	101.1	99.7	92.2	67.4	69.6
Instrument-making	14.1	15.2	15.0	17.7	20.0
Other branches of processing industry	16.5	17.4	17.6	19.0	20.8
Other branches of national economy	15.1	15.1	16.3	14.9	15.3

---

* "National Patterns of R and D Resources 1953-1978-1979," p 13.

Although the turning point in U.S. research and development began at the end of the 1960's, after 1973 it was intensified by mounting difficulties and contradictions in the capitalist economy: the economic crisis of 1974-1975, the escalation of inflation, and the energy, raw material, food and other structural crises. Galloping inflation made the pricing mechanism less predictable, diminished the prospects for new investments or actually reduced them and, in some cases, lowered the profitability of research and development expenditures and reduced the demand for technical innovations. Under the conditions of the rapidly rising prices of raw materials and energy resources, American firms had to cover their expenditures on research and development and the manufacture of new products primarily through the technical modernization and commercial perfection of existing items with a more or less strong position in the market.

In the fifth place, an important role in the reduction of research expenditures was played by the increasing deficit in the U.S. federal budget and the related policy of budget economy, which led to the reassessment of several research and development programs. It is not surprising, therefore, that the greatest cuts in research and development funds were made in government-financed research of a fundamental and long-range nature.

On the whole, the reduction or slower growth of research and development expenditures in 1968-1975 had an extremely negative effect on scientific and economic development in the United States. Science in the universities, with a high concentration of fundamental research, generally producing a long-range effect, was hit particularly hard. According to estimates in the American press, the related losses in the potential GNP in the last 10 years amounted to approximately 100 billion dollars.[16] During the same period, the average annual rate of increase in labor productivity in the U.S. national economy was only 1.6 percent, or only half as high as in the preceding 20 years.[17] Naturally, all of these losses are not only connected with the reduction of research and development expenditures, but are also primarily due to negative trends in the overall economic situation in the United States and the capitalist world as a whole. Nonetheless, as famous American economist Zvi Griliches has noted, "the reduction of research and development expenditures in the last 7 years has put the American economy in its sick-bed."[18]

Prominent public spokesmen, politicians and managers of big business began to sound the alarm in the mid-1970's. In particular, Senator E. Kennedy said in the U.S. Congress in the beginning of 1976 that the latest tendency in the research and development sphere had caused "the international prestige of the United States in the area of science to decline." According to his estimates, during the last 10 years, when proportional expenditures on research and development decreased in the United States, they increased in the Soviet Union, West Germany and Japan. In 1973, the proportional figure was 3.1 percent in the USSR and only 2.4 percent in the United States. The number of scientists and engineers per 10,000 inhabitants decreased after 1969 in the United States, while it increased in the USSR, West Germany and Japan. In 1973, the figure was 37 in the USSR and only 25 in the United States. Kennedy also noted a reduction in the positive balance of trade in licenses and patents and the decrease in the U.S. share of world scientific publications. He stressed: "This cannot be tolerated any longer. We must overcome these tendencies. Science is one of the bases of national strength. This applies to national security as well as economic development. It also applies to social and human needs. America must restore its prestige in science. This should become a primary national objective."[19]

According to reports in the American press, in the first half of the 1970's the U.S. Patent Office issued less patents to American citizens than in the beginning of the 1960's; on the other hand, it issued twice as many as 10 years before to foreigners, particularly Japanese and Germans seeking patent protection in the United States.[20]

Just as many other crises occurring in the capitalist world, the turning point in the research and development sphere in 1968-1975 not only resulted in sizeable social losses, but was also connected with the internal reorganization of research and development expenditure patterns. An important tendency in the evolution of industrial research and development was the attempt to renovate technological processes instead of just the products themselves. Particular attention was given to the development of technology for the conservation of raw material and energy resources and the use of new raw materials in production. It is not surprising that the scales of steel smelting in the major capitalist countries are now on the 1973 level, although there has been noticeable growth in engineering output. This is connected primarily with the considerable reduction in the metal requirements of production as a result of the enhancement of the quality of steel, the use of smaller or more compact machinery and the substitution of other materials for steel.

Important intersectorial changes, connected with the redistribution of technological potential, have occurred within the sphere of industrial research and development. Between 1968 and 1975, the number of scientists and engineers engaged in research and development in U.S. industry dropped almost 16,000 (from 376,700 to 360,800). At the same time, the number of scientists and engineers employed in the chemical industry rose from 38,900 to 45,400, the number in general engineering rose from 37,400 to 52,300, and the number in instrument-making rose from 14,100 to 17,700 (see Table 2). Consequently, particular attention is being given to the branches using non-machine technology and branches providing the national economy with new types of equipment, assemblies and instruments.

Three areas of technological investigation can be distinguished in the development of engineering: the development of technological equipment which dramatically raises the level of production automation as a whole and automates processes in which manual labor has been prevalent; the development of equipment ensuring the flexibility of production processes with a high level of mechanization and a technological basis for fundamental changes in the organizational and technical structure of production; the development of equipment providing for the incorporation of fundamentally new technological processes.[21]

Another important new advance in research and development is the considerable rise in government and private allocations for energy research, research into problems in environmental protection, the development of equipment and technological processes for the use of production waste and secondary raw materials, and the development of items devoid of their previous harmful side-effects. On the whole, it can be said that the period of 1968-1975 was a time of objectively necessary reconstruction in the sphere of scientific activity, connected with the transition to primarily intensive types of development. Although it was extremely painful, this reconstruction nonetheless created a basis for the subsequent growth of research and development expenditures in new fields of research on an intensive basis, engendered new ways of relating science to production, reorganized the structure of national technological potential and established the prerequisites for the heightened efficiency of the entire science-production process.

The Present Stage

The 1976-1979 period in the evolution of the research and development sphere in the United States is connected with a considerable rise in appropriations for science and the further development and productive use of the changes that were initiated in the preceding stage.

Since 1976, considerable changes have been apparent in the attitude toward research and development. This has resulted not so much from a sudden realization of the negative consequences of the reduction or slower growth of research and development expenditures as from the entry of the U.S. economy into its recovery phase. In 1976, 1977 and 1978, expenditures on research and development rose each year by 4.7, 4.5 and 2.6 percent in constant prices. The 1979 figure is expected to be 2-3 percent. One of the characteristic features of the research budget for 1979 in the United States was a considerable increase in expenditures on fundamental research. These expenditures will amount to 6.4 billion dollars this year, or 3 percent (in real terms) more than in 1978, when they rose 5 percent.[22] The proportion accounted for by these expenditures in total research and development costs has begun to grow once again and now constitutes 13 percent (total research and development expenditures in 1978 were 47.3 billion dollars, and in 1979 they will total 51.7 billion dollars in current prices).[23]

The following peculiarities of the present stage in the evolution of the research and development sphere in the United States deserve special mention.

In the first place, the collectivization of various spheres of activity is becoming more apparent in the capitalist economy, particularly in the integration of scientific, production and administrative activity. The collectivization of production is a major factor in the creation of science-production complexes on the basis of special-program management and research and development funding.

After numerous trials and errors as a result of persistent attempts to heighten the impact of research and development in the United States and other developed capitalist countries, the best form of organization, in the opinion of Western experts, for research and development has been found--or, more precisely, the best form of coordinating science with production: the contract funding of research and development, based on special-program organization. Most of the U.S. federal research budget is now spent on projects and programs that are planned and executed by outside agencies (universities, industrial centers and so forth) within the framework of science-production complexes temporarily established on a commercial basis. In addition to contract funding, grants are widely offered for specific research projects. Research grants for projects and programs are issued by 36 government agencies, professional associations, "philanthropic" foundations, universities and research centers in the United States, and to a lesser but constantly growing extent, by industrial firms. According to the data of the Smithsonian Institution's Science Information Exchange, approximately 125,000 research projects were funded in this manner in 1975.[24] Over 95 percent of all American allocations for research and development in industry are spent on large projects costing more than 1 million dollars, and 63 percent are used in projects with a cost exceeding 100 million dollars.

In the second place, the significance of large, frequently nationwide, science-production programs, aimed at the resolution of global problems, is increasing. Examples of this can be seen in the energy program, the medical research program (cancer research), environmental protection, the development of ocean resources and so forth.

In the United States, funding on the federal level is distributed among 15 major comprehensive fields, within the framework of which the appropriate programs are drawn up (see Table 3).

Table 3

Federal Appropriations for Research and Development in Various Comprehensive Fields, Percentage of Total*

Research Field Programs	1969	1975	1976	1977	1978	1979
Military-Space	77.3	64.2	64.1	62.4	60.3	61.6
Military	53.4	51.0	50.3	41.6	48.4	49.5
Space	23.9	13.2	13.8	12.8	11.9	12.1
Economics	5.2	10.4	11.3	14.0	15.4	14.7
Natural resources	1.3	2.1	2.1	2.1	2.3	2.3
Energy	2.1	6.2	6.3	9.6	10.8	10.1
Economic growth, productivity	0.4	0.3	0.4	0.4	0.3	0.4
Raw materials and food	1.4	1.8	1.9	1.9	2.0	1.9
Social	17.5	25.6	24.6	23.6	24.3	23.7
Medical	7.2	11.5	11.4	10.9	11.0	10.8
Fundamental technological	3.3	3.8	3.8	3.8	3.8	3.8
Ecological	2.0	4.2	4.1	4.0	4.0	3.9
Transportation, communications	2.9	3.4	3.1	2.9	3.2	3.0
Education	1.0	0.8	0.7	0.5	0.5	0.5
Social security	0.6	0.8	0.6	0.7	0.7	0.7
Regional development	0.3	0.5	0.5	0.4	0.5	0.5
Crime prevention	0.0	0.2	0.2	0.1	0.3	0.2
International cooperation	0.2	0.2	0.2	0.3	0.3	0.3

---

* Estimated.

Calculated according to: SCIENCE RESOURCES STUDIES HIGHLIGHTS, 27 October 1978, p 2.

The leaders in the structure of government technological policy priorities are still the prestigious military research programs. In current prices, they amounted to 7 billion dollars in 1960, 8.6 billion in 1968, 9.5 billion in 1975 and 12.9 billion in 1979; in 1972 prices the respective figures were 10.2 billion, 10.4 billion, 7.5 billion and 8 billion. In other words, calculated in real terms, expenditures are now lower than in 1968 and 1960, and their proportional share in total research and development expenditures has also decreased: It was 52 percent in 1960, 35 percent in 1976, 27 percent in 1975 and has now stabilized at 25 percent.[25] According to the estimates of American experts, this figure could rise in the next few years.

The increase in proportional expenditures on programs connected with economic development deserves mention. Almost all of the increase is due to the sharp rise in expenditures on energy research, which now account for almost 10 percent of total federal appropriations and are almost equivalent to proportional expenditures on medical research.

In the third place, the current technological policy of the main capitalist countries now focuses more than before on the fuller use of accumulated scientific knowledge, the "diffusion" of this knowledge in fields where it can produce the most rapid results and the development of fundamentally new ideas and approaches. Emphasis is placed not so much on increasing the scales of new production as on the development of equipment and technology for the more economical use of existing production resources. The rising prices of raw materials and equipment have stimulated the development of structures and items requiring less material input, particularly in the direction of their miniaturization and the reduction of crude resource and material expenditure norms. The potential of scientific research to reduce the capital requirements of production is being used more extensively.

There is now a perceptible process involving the transfer of capitalist production to new technical procedures, connected with the future mass use of automatic equipment, based on microelectronics and microprocessors[26] (articles are already being written about the second cybernetic revolution); new mechanical processes for the conservation of raw materials or the processing of previously unprofitable types of raw materials; new advances in collective methods and forms of production, in which science and scientific knowledge will play an increasingly important role. This role will consist not so much in stimulating the growth of production volumes as in improving the quality of items, developing new and more complex products and effecting structural changes in production and the production system.

Now that American science has undergone the turning point in its transition to the intensive type of development, it must exert a stronger influence on production. American imperialism hopes to intensify the renovation of its products and technology through the priority growth of branches requiring high scientific input and the concentration of resources in fields of technological progress that have not been explored as yet in many other countries. This policy is aimed at technological hegemony and a broader "technological gap." It promises a new round of inter-imperialist conflicts in the future.

At the same time, in the innermost segments of the democratic public, there is growing dissatisfaction with costly research programs aimed at the satisfaction of military and prestigious interests and with the inability of capitalism to use research to improve the living conditions of the general public. Many scientists have quite vigorously opposed not only the attempts of politicians and bureaucrats to control their activity, but also the disregard for such public interests as the struggle to ban weapons of mass destruction, the consolidation of international detente and the satisfaction of the concrete vital needs of the population.

The technological revolution is objectively expanding the interrelationship between branches and spheres of activity, it is accelerating the development of science and technology and it is necessitating the creation of an integrated science-production complex on the national economic level. The interests of capital are inconsistent with these objective requirements of the development of productive forces.

FOOTNOTES

1. BIKI, 4 November 1978, p 4.

2. RESEARCH MANAGEMENT, September 1978, p 5.

3. "Marx and Engels Archives," vol II (VII), Moscow, 1933, p 99.

4. BUSINESS WEEK, 2 July 1979, p 53.

5. Ibid.

6. NEW SCIENTIST, 30 June 1977, p 759.

7. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 3, 1976, p 61.

8. "Science Indicators," Wash., 1972, p 138.

9. EMPLOYMENT AND EARNINGS, January 1973, p 129; August 1975, p 26.

10. RESEARCH MANAGEMENT, January 1978, p 49.

11. "National Patterns of R and D Resources," 1953-1977, NSF 78-313, p 6.

12. For more detail, see I. V. Likhacheva, "SShA: ekonomicheskaya nauka i ekonomicheskaya politika" [The United States: Economic Science and Economic Policy], Moscow, 1975, pp 16-17.

13. BUSINESS WEEK, 8 March 1976, p 73.

14. "Science Indicators 1976," Wash., 1977, p 270.

15. "The Research System. Comparative Survey of the Organization and Financing of Fundamental Research," vol /3/OECD, 1974.

16. BUSINESS WEEK, 8 March 1976, p 73.

17. BIKI, 7 December 1978.

18. BUSINESS WEEK, 8 March 1976, p 73. In connection with the sharp drop in labor productivity rates in the United States, President J. Carter signed a bill in October 1978 on the creation of a national council on labor productivity, which will include representatives from the main departments and agencies of government. According to American experts, the noticeable U.S. lag in labor productivity growth has become one of the reasons it has "lost ground" to its chief rivals. Since 1967, labor productivity in Japan, Italy, France, Canada and several other countries has grown at a much quicker rate than in the United States (BIKI, 2 November 1978).

19. CONGRESSIONAL RECORD, 13 April 1976, p S5628.

20. THE WASHINGTON POST, 28 October 1977.

21. For more detail, see MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 9, 1978, p 57.

22. SCIENCE RESOURCES STUDIES, 1 May 1978, p 2.

23. Ibid., p 3.

24. IZVESTIYA AN SSSR. SERIYA EKONOMICHESKAYA, No 5, 1978, p 104.

25. "National Patterns of R and D Resources," 1953-1978-1979, pp 36, 44.

26. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1979, pp 104-111.

8588
CSO: 1803

CRISIS OF NEOCOLONIALIST IDEOLOGY IN LATIN AMERICA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 39-48

[Article by V. P. Kirichenko]

[Text] The July 1979 overthrow of the dictatorship in Nicaragua, which was established in power with the aid of American imperialism, was a major event in Latin American politics.

This was another great victory for national democratic forces in Latin America. The Nicaraguan people overthrew the dictatorial regime of Somoza, who had long been a protege of American imperialism. Much of the credit for this victory can be given to the powerful worldwide campaign of solidarity with the Nicaraguans, which kept the United States and its satellites from engaging openly in armed intervention in support of Somoza. The events in Nicaragua once again clearly demonstrated the overall change in the international situation, as a result of which the imperialist power and blocs are finding it difficult to implement the "big stick" policy of shameless robbery. The main reason for these changes in the balance of power has been the consolidation of the revolutionary alliance uniting the nations of the socialist community with the international workers and national liberation movements.

The significance of the Sandino national liberation front's victory transcends the bounds of the Western hemisphere. The success of the Nicaraguan revolution is influencing, and will continue to influence, the entire course of the anti-imperialist liberation struggle of the people of this continent and the entire world. The defeat of the Somoza regime, which was supported until recently by Washington, is not an isolated event; it is only a link in the chain of major U.S. policy failures in Latin America. The policy of isolation and blockade in relations with Cuba failed even earlier. As a result of the development of the Latin American liberation movement, the White House had to agree to the conclusion of new Panama Canal treaties. The attempts by U.S. special services to work with local reactionary forces toward the "destabilization" of the situation in Guyana, Jamaica, Peru and other countries also failed.

The United States' present inability to use armed force to suppress national liberation movements in the Western hemisphere, particularly in Nicaragua, as was done in Guatemala and the Dominican Republic, corroborates V. I. Lenin's thesis that "intervention by imperialist powers is not always feasible."[1]

The United States' inability to put together a bloc of obedient nations within the OAS for the purpose of creating the semblance of "collective" action to stifle the liberation struggle in Nicaragua and other countries represents another link in this chain.

Washington's widely publicized policy "in defense of human rights" has also been a failure in the Western hemisphere.

The United States' need to constantly adapt to the views of the majority of Latin American countries for the purpose of avoiding total isolation on the continent testifies to a crisis in Washington's Latin American policy.

This crisis is primarily connected with the further intensification of the general crisis of capitalism during its present stage, and it is characteristic of U.S. relations not only with the Latin American countries, but also with other developing countries. The neocolonialist policy of the United States is failing.

Neocolonialism, as the policy and actual practice of the imperialist states, their military-political alliances and the economic associations of monopolistic capital, predetermining the dependent economic and sociopolitical development of these countries, is aimed at the preservation and expansion of the exploitation of people in the developing and dependent countries and the prevention of their transition to socialism, and is implemented through a system of unequal economic, political and military relations, as well as with the aid of the mass ideological brainwashing of the public in these countries.

The desire to ideologically subordinate the developing countries to imperialism, to prevent the spread of Marxist-Leninist views in these countries and to discredit scientific and real socialism is, in our opinion, ideological neocolonialism.

It is accomplished by means of ideological expansion, including blackmail with the "communist threat," anti-Sovietism, the seizure and control of mass information and propaganda media, the ideological brainwashing of certain social groups in the population, the propagandization of neocolonial doctrines, theories and concepts and examples of reactionary bourgeois culture, the bribery of top labor leaders and the intelligentsia, the organization of ideological diversion and "social espionage," the use of philanthropic foundations and the "Peace Corps," etc.

All of this is particularly characteristic of the United States' policy of ideological neocolonialism in Latin America, the purpose of which is to ideologically insure the main objectives of its neocolonial policy in this region--the preservation and consolidation of the imperialist monopolies' influence in the nations of this region, the preservation of the capitalist order in these countries, the prevention of the spread of revolutionary, progressive and democratic ideas in the general public of Latin America, the inculcation of anticommunist reactionary attitudes and views in Latin Americans, the propagandization of the American way of life, the prevention of progressive reforms, which might help to strengthen the sovereignty of the Latin American countries and their economic and political independence, and the exertion of influence, in directions benefiting the United States, on general and specific situations that might endanger U.S. positions in certain nations of this hemisphere and in the region as a whole.[2]

But the bankruptcy of the policy of social reformism, the unsound nature of American bourgeois political and ideological postulates, doctrines and theories, the stronger ties between this region and the socialist world, the increasing influence of Marxism-Leninism and the achievements of real socialism have contributed to a situation in which socialist ideas are spreading throughout Latin America and a more active search is being conducted for the means of independent socioeconomic and political development.

Under these conditions, the Carter administration began the latest revision of the means, methods and forms of ideological offensive in Latin America for the purpose of heightening the effectiveness of ideological grounds for U.S. economic and foreign policy strategy.

This revision is being conducted within the framework of the overall "modernization" of neocolonial strategy, which is being implemented by imperialism on the threshold of the 1980's.[3]

The "modernization" of U.S. ideological expansion in Latin America is being carried out by the present administration with consideration for the constantly increasing significance of this region for the United States, which is due to several factors.

In the first place, Latin America is actively involved in the struggle of the developing countries for a new international economic order (NIEO). The views expressed by Latin American countries on these issues at international forums largely determine the general policy of the developing countries toward the developed capitalist countries. As one speaker pointed out in the U.S. Congress, "Latin America is not only the 'ideological leader' of the developing countries' NIEO campaign, but also the initiator of major practical steps in this direction."[4] We know that important UN documents pertaining to the NIEO--the "Program of Action," the "Charter of the Economic Rights and Obligations of States" and the "Code of Behavior for Transnational Corporations"--were adopted on the initiative of Latin American countries. This is the reason for the United States' desire to win the support of this "ideological leader."

In the second place, the acute energy crisis is increasing the significance of Latin American countries, particularly Venezuela and Mexico, as suppliers of energy resources (oil and gas), as well as strategic defense materials.

In the third place, U.S. propaganda agencies regard Latin America not only as an object of ideological offensive, but also as a kind of testing ground, where the latest methods of ideological diversion and means of psychological influence can be smoothed out and perfected. Tried and tested methods for the ideological subjugation of the people of this continent are then extended by American imperialism to the countries of Asia and Africa.

American bourgeois researchers prefer not to use the term "ideological expansion"; the term "cultural contacts" is more often found in works on this subject. For example, G. Atkins, American political scientist and U.S. Naval Academy professor, describes intergovernmental contacts as "a means by which political goals can be attained." He remarks that the Western countries, particularly the United States, camouflage their "cultural expansion" in Latin America with the aid of slogans of various types.[5]

One of these slogans is the "convergence of the civilizations" of the United States and Latin America, which supposedly has an objective basis. For example, American researcher E. Gaspar notes the following in his book "United States--Latin America: A Special Relationship?": "The convergence of the two civilizations would not be impossible, but it would take a long time. It could be accomplished by reassessing the cultural heritage of both regions."[6]

In the 1970's, there was a new wave of U.S. ideological offensive on the Latin American continent which took the following form:

The propagandization of Washington's official explanations in regard to important international political issues, and praise for American ideas, theories and doctrines in the areas of politics, economics, culture and morals;

The establishment of control over the mass media--commerical radio and television, the film industry and the publishing trade;

"Sociological propaganda"--the advertisement of the "superiority" of the American way of life;

The campaign "in defense of human rights."

The main role in the U.S. policy of ideological neocolonialism in Latin America is now played by the International Communication Agency (ICA), established by President J. Carter on 1 April 1978 to replace the United States Information Agency (USIA) and the State Department Bureau of Educational and Cultural Affairs.[7] The ICA is centered in Washington and has 10 branches in the United States and 189 regional branches--or "cultural centers" and employs 8,900 individuals; its budget for the 1979 fiscal year amounts to more than 400 million dollars, and in 1980 it will rise to 432.5 million.

The Carter administration has instituted even more intensive informational and propaganda activity in Latin America: The 23 countries of this region have ICA centers and branches, 69 binational centers, 5 libraries and 10 centers for the distribution of printed propaganda. The ICA has been ordered to carefully prepare materials for broadcast over local Latin American radio stations, placing emphasis on the "defense of human rights" and the "superiority" of the American way of life, and to produce documentary, popular science and educational films for the Latin Americans. In these orders, the administration has stressed the fact that the ICA will no longer engage in activity of a secret and propagandistic nature and will not manipulate information. According to the U.S. NEWS AND WORLD REPORT, however, there has actually been little change.[8]

In light of the above mentioned facts, the current administration is focusing its attention on radio and television. In March 1977, President J. Carter sent Congress his "Report on International Broadcasting," in which he stressed that it "represents one of the key elements of American foreign policy."[9] The proportion accounted for by the Voice of America programs for nations of this region in total foreign broadcasting time was 7.4 percent in 1973 and 15.8 percent in 1975. In connection with the American bicentennial, the Voice of America considerably increased its broadcasts to Latin America--to 17 percent in 1978.[10]

The stimulation of Peace Corps activity is also expected to aid in more intensive ideological penetration of Latin America by the United States.[11] The Peace Corps, which was established at the same time as the Alliance for Progress and in connection with broader U.S. expansion in Asia, Africa and Latin America in the 1960's, ceased to be an independent organization in 1971, following the scandalous exposures of its subversive activity in Latin America, and was made part of another agency--ACTION. When the present administration entered the White House, hearings on the state of affairs in the Peace Corps were resumed--after a 6-year interval--in the Senate. The office of Peace Corps director was restored (Carolyn Payton, who was the Peace Corps director's special assistant for Latin American affairs in the 1960's was appointed to this position) and a new program was adopted, emphasizing the active inclusion of Peace Corps activity in international programs of aid to developing countries under UN auspices. The idea of "opening up" this American organization, energetically performing the function of carrying U.S. ideological influence into the "international community," came just at the right time, as it coincided with the administration's far-reaching plans to enhance the effectiveness of foreign policy propaganda and effect the deeper penetration of the public consciousness in the developing countries, primarily in Latin America, by American bourgeois ideology.

American propaganda of the 1970's in Latin America was distinguished by a definite change of emphasis in primary objects of influence.

Special attention is now being given to the particular groups in Latin American society that have the most perceptible effect on domestic policy and the foreign policy line of their nations--the bourgeoisie, the Latifundista circles and the reactionary military. Washington's propaganda establishment, however, is still making a considerable effort to influence the particular population strata that are leading the anti-imperialist struggle. Propaganda is differentiated, and the "target audience" is being taken into account more and more in the planning of propaganda objectives, means, forms and methods in this region.

Soviet researcher K. A. Khachaturov defines propaganda aimed at the "target audience" as the "selective use of a set of means of ideological and psychological influence for the purpose of achieving the optimal effect on specific population strata in different nations with consideration for their social status, political views, religious beliefs, profession, educational qualifications, national and ethnic background, age and sex."[12]

The new tactic of American propaganda services is primarily directed against the working class in the Latin American countries. Labor unions, which are the most massive worker organizations in Latin American, are actively used for this purpose. American imperialism has assigned a special role to the reactionary leaders of the AFL-CIO, with its system of carefully planned methods of subtle social demagogy.

In recent years, the AFL-CIO, this "Trojan horse" delivered to the Latin American labor unions by the United States, has been forced by the growth of the national liberation movement on this continent to diversify its tactics, adapt to the objective conditions of anti-imperialist struggle and search for new forms of persuasion. In particular, new academic centers subsidized by the monopolies, the CIA and the State Department have been opened to train labor union functionaries from the Latin American countries, who are expected to conduct American labor union policies in the workers movement in the Latin American countries. The American Institute for the Development of a Free Labor Movement has become the main instrument for the attainment of these objectives. By 1977, more than 190,000 Latin Americans had "passed through" this institute.

American propaganda services are still keeping a watchful eye on Latin American youth. And this is not only because the majority of the population in Latin America is young. The clearly expressed anti-imperialist views of Latin American youth are not to the taste of Washington ideologists. Some of the strategic goals of imperialism are to isolate the young fighters from the working class, to deaden their revolutionary enthusiasm, to prevent their united action on an anti-imperialist basis, to disintegrate the youth movement from within, to divert its efforts to struggle for reforms of secondary importance--university, organizational and other reforms, to remove youth from the influence of communist and other progressive parties, and to infect youth with anticommunism, social pessimism and all the vices of "Western civilization." The entire arsenal of ideological means is being used for this purpose.

American propaganda services are displaying particular interest in the Latin American intelligentsia. It was for the intelligentsia that the journal HORIZONS began to be published in 18 languages in 1974, including Spanish and Portuguese. In the majority of Latin American countries, this journal is issued with special supplements reflecting "local features." The journal INTERNATIONAL AFFAIRS is published for a more limited group of Latin American readers: It examines a great variety of issues connected with current political events in Latin America. The journal COMMUNIST AFFAIRS is also addressed primarily to the intelligentsia. In this magazine, the falsification of Marxist-Leninist theory and practice in the nations of the socialist community is offered under a sauce of pseudo-scientific discussion. Advertisements of the American way of life occupy an important place in the ICA propaganda for this audience.

The complex and contradictory processes that are taking place on the continent have not bypassed by the armies of some Latin American countries. The intensification of the anti-imperialist struggle, which has influenced army attitudes, the gradual change in the social structure of army personnel, the development of new types of troops, the appearance of a substratum known as the military technical intelligentsia and the negative reaction to the Pentagon's attempts to subjugate the Latin American armies and impose police functions on them have contributed to the growth of patriotic feelings in these armies. The armed forces of the continent, as an integral part of the sociopolitical system, are experiencing the direct and constantly increasing effects of the structural crisis. Patriotic and democratic tendencies in the Latin American military have aroused considerable anxiety in U.S. ruling circles, which is the reason that Washington is paying closer attention to "social image." The U.S. propaganda services have intensified their ideological work with Latin American soldiers in American academic institutions, particularly the schools in the Panama Canal Zone.

The "latest" word in the Carter administration's neocolonialist propaganda is the preaching of the thoroughly hypocritical thesis concerning the "defense of human rights," including human rights in the Latin American countries.

In a way, this is an attempt to find an "ideological escape" from the profound crisis of American bourgeois ideology throughout the world, and in the Western hemisphere in particular. At a meeting of the trilateral commission on 25 October 1977, U.S. national security adviser Z. Brzezinski said that the administration's first objective was to "overcome the spiritual crisis," which he described as "a loss of traditional self-confidence." Washington had launched the "human rights" campaign largely as a result, as Z. Brzesinski stressed, of the "widespread anti-American feeling throughout the world," in order to stop this process, to elevate U.S. prestige, to "overcome mass disillusionment and public mistrust of American foreign policy" and to prove that the "Western democratic system offers people the best chance of self-expression." The "human rights" campaign, according to Z. Brzezinski, is also contributing to the "spiritual revival of the West."[13] The anticommunist nature of this propaganda campaign is obvious.

In Latin America, human rights are certainly being violated; dictatorial regimes are taking terrorist actions against progressive and democratic forces and are flagrantly disregarding human rights and freedoms.

After declaring that "moral leadership" in the world was one of the United States' foreign policy objectives, Washington verbally condemned the police-state repression of reactionary and fascist regimes in Latin America and ostentatiously emphasized its intention to cooperate with regimes of "representative democracy." In the case of many dictatorial regimes, economic aid was reduced and military assistance was denied. Sales of weapons and military equipment were reduced. In July 1977, the U.S. Congress heard testimony by Erlich, the leader of the National Opposition Union, and refused to listen to one of dictator Romero's representatives. The White House ostentatiously declined to appoint a new ambassador to El Salvador. In reality, however, the United States did not completely cease to cooperate with overtly antihumane regimes, and is still supporting them.

Washington's attempt to make the offer of military assistance to Latin American countries dependent on the "observance of human rights" aroused a negative reaction from dictatorial regimes: Argentina, Uruguay, El Salvador, Guatemala and Brazil refused U.S. military assistance altogether. Besides this, Brazil dissolved its agreement with the United States on military cooperation. Washington had to revise its policy. In 1979, the U.S. Congress allocated $2,692,500,000 "for guaranteed security and for military assistance." A considerable portion of this sum was earmarked for Latin America.[14]

Weapons of U.S. manufacture are still being shipped to Latin America. Officially, deliveries of weapons to Latin American countries have been considerably reduced, but large quantities are being shipped indirectly, mainly through Israel. The United States ships more weapons to Tel Aviv, and from there they are sent to Latin American addresses dictated by Washington. Israel supplies the Chilean junta with anti-tank missiles, armored carriers, artillery weapons and optical instruments and has sent a group of instructors to this country. Until just recently, Tel Aviv was also shipping weapons (missiles, jeeps, submachine guns, automatic carbines and Arawa aircraft) to Nicaraguan dictator Somoza as well. It has monopolized the sale of weapons to Guatemala and also ships arms to Honduras, El Salvado and Ecuador. The Chilean junta was sold 57 million dollars' worth of weapons in 1977, and an equal quantity in 1978. Total private American loans to Pinochet amounted to 520 million dollars in 1976, 858 million in 1977 and 1 billion in 1978.[15] As First National Citibank President W. Simpson cynically declared, "the issue of human rights has nothing to do with the credit policy of international banking organizations."[16]

In addition to shipping weapons to the Latin American countries, the United States is taking steps to strengthen the repressive system in this region for the more effective suppression of the liberation movement. The United States has trained almost 55,000 officers for Latin America since the end of World War II, and their duties include "containment of the internal communist threat."[17] The Pentagon is strengthening the police force in Latin America, particularly by training Latin American army officers to perform police functions. In just 5 years, between 1974 and the end of 1978, 1,600 officers from Chile, Nicaragua, Brazil and Uruguay were given this kind of training. In the 1946-1977 period as a whole, the United States has trained around 100,000 policemen for countries in this region.[18]

The reinforcement of the repressive military and political system in the Latin American countries and the anticommunist hysteria has led to the frenzied spread of reaction and armed anticommunist gangs, whose victims are the leaders of communist parties, labor unions and democratic organizations, progressive journalists and writers, and fighters for peace. Terrorist organizations like Mano Blanca, the Anticommunist Alliance of Argentina and others literally hunt progressive elements. In Guatemala, where the police are not held accountable if they murder people for political reasons, the victims of this terror are parliamentary deputies, opposition leaders, teachers, students and labor activists. In Argentina, 1,310 people died at the hands of repressive organs in 1976. Uruguayan reaction commits brutal territorist acts against the people: In May 1979, hundreds of people were thrown into torture chambers, including 48 members of the communist party of Uruguay. There were 300 communists behind bars prior to that. The bloody accounts of the regime include dozens who were shot or tortured in concentration camps and hundreds who "disappeared." Around 60,000 Uruguayans have gone through the torture chambers. In May 1979, El Salvador's dictator Romero gave the order to open fire on a protest demonstration, as a result of which dozens of people were killed and hundreds were wounded: Police persecution and brutality are characteristic features of the regime in El Salvador.

And what is Washington's response to all of this? According to reports in the press, the State Department sent an announcement to the ambassadors of Latin American countries in October 1977, which essentially said that they should take a "flexible approach" to the issue of human rights violations.[19] In May 1979, the U.S. State Department published "five basic premises, which will be used to demonstrate U.S. concern for human rights in relations with other countries." According to these premises, "serious considerations connected with national security" will justify "the offer of military assistance to countries which flagrantly ignore human rights." This also applies to economic aid to governments friendly to the United States, "which have a bad reputation with respect to human rights." In short, if Washington needs a dictator, it does not matter if he is good or bad.

It should be noted that the monopolies are intensifying their expansion in Latin America under cover of the "struggle for human rights."

A direct connection between the pose of a fighter for "human rights" and the desire of the United States to continue exploiting Latin American resources was pointed out by American correspondent J. Reston. Commenting on President J. Carter's February visit to Mexico and his statements in regard to the United States' determination to "severely punish any violation of human rights and any discrimination against Spanish-speaking individuals," he remarked that the Mexican president had praised the "struggle for human rights," which is regenerating the "moral bases" of U.S. political institutions. At the same time, he made it quite clear that he was well aware of the reason for this exceptional concern for Mexico after such a long period of indifference; this reason was the oil discovered there.[20]

The fact that U.S. ideological expansion is expected to camouflage the selfish goals of Washington's policy in Latin America was stressed by prominent researcher M. Ojeda: Past experience has shown, he writes, that when U.S. ruling circles "take a moral stand," this "quite frequently means that the Latin American countries can expect intervention in their internal affairs."[21]

Therefore, the United States is conducting the same old neocolonial policy in Latin America. As Professor R. Falk writes, "policy continues to take the same directions.... Rhetoric has come up against practical obstacles, and promised revisions of policy have been silently shelved."[22] Latin American communists regard the "struggle for human rights" as an attempt by Washington "to use new ways of implementing imperialist policy by more subtle methods, which does not change the aggressive intentions of imperialism."[23]

The U.S. ideological neocolonialism of the 1970's has encountered growing resistance in more and more Latin American countries.

Until 1973, the Popular Unity Government in Chile restricted U.S. mass media activity in the nation.

In November 1970, the Venezuelan senate discussed the restriction of mass media control by reactionary and imperialist forces, which had "launched an offensive against the Venezuelan younger generation, were depraving it and were morally crippling it."[24] In January 1974, the Venezuelan government adopted a decree prohibiting foreign capital investments in radio and television companies; North American television companies and publishing firms had to sell their stock to Venezuelan citizens.

A general law on telecommunications was passed in November 1971 in Peru, establishing control over all private, including foreign, radio and television companies. According to this law, the companies could only be owned by Peruvians permanently residing in the country. Commercial advertising was supposed to be dramatically reduced. At least 60 percent of all programs were to be nationally produced. In 1975, the Peruvian government nationalized all major bourgeois newspapers. As President Juan Velasco Alvarado declared, "freedom of the press is incompatable with private ownership of the news media."[25]

A decree on the nationalization of radio and television advertising was adopted in February 1973 in Panama. This was primarily directed against American monopolies, which intensively propagandized the American way of life and attacked national traditions. In April 1973, the Mexican government issued a new regulation on radio and television broadcasting, limiting the number of foreign, primarily North American, programs and banning programs which ridiculed the Spanish language and popularized violence, alcohol, smoking and narcotics. Commercials cannot exceed 18 percent of total broadcast time and can only advertise Mexican-produced goods.[26]

The Latin American republics are taking several joint measures to protect their national culture from the pernicious effects of American "mass culture." Representatives of nations in this region regularly meet to work out a common stand on these matters. In 1968 a conference of experts on literature was held in Costa Rica, in 1969 a conference on architecture and urban development was held in Buenos Aires, in 1970 sculptors met in Quito and musicians met in Caracas, in 1974 experts met to discuss "Latin America and Its Culture" in Mexico, and in 1976 a conference was held on theatrical performances and holidays in the Latin American countries. In 1975, a UNESCO conference on the mass media was held in San Jose (Costa Rica), and a resolution was adopted to protect the informational independence of these countries. In January 1978, an intergovernmental conference was held in Bogota (Colombia), on the initiative of UNESCO, to discuss policy in regard to the Latin American and Caribbean culture. This conference was attended by 150 delegates from 28 countries in this region, including 16 ministers of culture.[27]

The nations of this region sent delegates to the UNESCO conference in Nairobi (Kenya) on information and culture in the developing countries. Several of them (Cuba, Mexico and Peru) sent delegates to the first (January 1977) and second (April 1978) meetings of the coordinating committee of the news agency pool of the non-aligned countries. As we know, the Western countries have opposed the idea of the independent development of news services in the developing countries, promising to pass on "their experience." In spite of this, 45 developing countries in Asia, Africa and Latin America signed an informational exchange agreement at the second meeting.

All of this testifies that U.S. attempts to regain influence in this region with the aid of an ideological offensive have been unsuccessful. The growing awareness of the popular masses in the region, the increasing role of the working class and its vanguard--the communist and workers parties--in the anti-imperialist struggle, and the continued crisis in U.S. policy in Latin America have predetermined the futility of American imperialism's attempts to gain ideological control over Latin American and to ideologically disarm revolutionary forces in the Latin American countries with the aid of the policy of ideological neocolonialism.

FOOTONOTES

1. V. I. Lenin, "Poln. sobr. soch." [Completed Collected Works], vol 30, p 8.

2. See "SShA i Latinskaya Amerika" [The United States and Latin America], Moscow, 1978; K. A. Khachaturov, "Ideologicheskaya ekspansiya SShA v Latinskoy Amerike" [The Ideological Expansion of the United States in Latin America], Moscow, 1978.

3. See K. Brutents, "Neocolonialism on the Threshold of the 1980's: The 'Modernization' of Strategy," MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 6, 1979, pp 72-85.

4. "U.S. Economic Relations with Latin America," Hearings, Joint Economic Committee, 28, 29 June, 7, 8 July and 12 August 1976, pp 91-92.

5. G. Atkins, "Latin America in the International Political System," New York, 1977, p 190.

6. E. Gaspar, "United States--Latin America: A Special Relationship?" Stanford, 1978, p 16.

7. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 1, 1978, pp 64-69--Editor's note.

8. U.S. NEWS AND WORLD REPORT, 12 June 1978, p 54.

9. "Report on International Broadcasting," Washington, 22 March 1977, p 3.

10. U.S. NEWS AND WORLD REPORT, 12 June 1978, p 54.

11. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1978, pp 73-78--Editor's note.

12. K. A. Khachaturov, op. cit., p 189.

13. THE NEW YORK TIMES, 26 October 1977.

14. Ibid., 25 February 1978.

15. THE NATION, 29 April 1978, p 503.

16. "Latin America Economic Report, 1 April 1977, p 61

17. E. Gaspar, op. cit., p 56.

18. DOMINICAL, 20 June 1977.

19. THE NATION, 15 October 1977, p 370; T. Todman, U.S. assistant secretary of state for Latin American affairs explained that the United States "could not raise its voice without first learning the facts about human rights violations and the possible response," since it could hardly expect "other governments to change the bases of society and policy in response to our criticism." The United States "should not blame an entire country for human rights violations" because this "flouts its dignity and national pride," and must not believe that only the opposition is telling the truth, or that it is telling only the truth" (EL DIA, Mexico, 21 February 1978).

20. THE NEW YORK TIMES, 7, 16 February 1979.

21. M. Ojeda, "Mexico ante los Estado Unidoes en la coyuntura actual," FORO INTERN., No 1, 1977, p 45.

22. THE NATION, 9 June 1979.

23. PROBLEMY MIRA I SOTSIALIZMA, No 6, 1978, p 93.

24. "La televicion Venezolana," Caracas, 1970, p 37.

25. LA CRONICA (Lima), 26 September 1976.

26. EXELCIOR (Mexico), 4 April 1973.

27. BOHEMIA (La Habana), 10 February 1978.

8588
CSO: 1803

TRANSITION TO PROGRAMMING OF THE U.S. ECONOMY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 49-61

[Article by A. I. Shapiro]

[Text] New Economic Function of Government

Government programming of capitalist economic development represents an important element in the evolution of state-monopolistic capitalism and a qualitatively higher stage of national economic regulation, which has developed since World War II. It differs from previous forms of uncoordinated governmental regulation primarily by the setting of socioeconomic objectives of nationwide scale. Its chief purpose is to comprehensively influence the entire course of capitalist reproduction and its structure over relatively long periods of time, so as to guarantee balanced medium- and long-range economic development, stable development and more or less high rates of development--and this is capitalism's cardinal objective in the competition against socialism.

This kind of goal has never been set for state-monopolistic regulation in the past. It has necessitated the compilation of a general national program, envisaging the use of various means to intervene in the economic process, to extend, perfect and prolong the effects of old instruments of regulation and to create new ones. However, although it has adapted traditional methods to the requirements of programming and has supplemented them with new elements, it is still primarily indirect, nonbinding and indicative.

The new economic function of the bourgeois state is directly related to the present renovation and modification of the imperialist economic mechanism. From now on, the economic policy of imperialism will be dictated more and more by the long-range objectives of the entire monopolistic bourgeoisie and its strategy. Various policy trends and directions, which will be combined in one way or another in the state program, are expected to reflect the strategic interests of financial capital.

The transition to programming would have been unthinkable without the origination and development of preceding forms of state-monopolistic capitalism and less mature means of regulation (government orders and purchases, minimum wage and price controls, systems of priorities, the manipulation of interest rates and other aspects of credit and fiscal policy). If the state budget in many developed capitalist countries did not absorb up to one-third of all national income, if the state did not produce one-fourth (or more) of the industrial product and did not consume approximately the same proportion of the social product, and if the state did not account for from one-third to two-fifths of gross investments and from one-half to three-fourths of total research expenditures, programming on the macroeconomic level could not even be discussed. It would never have grown to its present large dimensions if this growth had not also been fostered by the development of electronic computer technology and communications systems and the mathematical formalization of economic processes.

Government programming has now become an essential condition of the reproductive process in the capitalist countries. The first steps in this direction had already been taken at the end of the 1940's by Western Europe, which was due to the peculiarities of its postwar economic development. It was followed by Japan. The programming method is also being taken up gradually by the United States, where this process is transpiring quite unevenly, in the midst of a fierce struggle between opposing interests and tendencies, and in complex and extremely contradictory forms. A description of the "American avenue" to programming is the subject of this article.

Groundlessness of Policy of State-Monopolistic Regulation

The crisis upheavals of the first half of the 1970's quite clearly revealed the ineffective and contradictory nature of the U.S. system of state-monopolistic economic regulation and the need for its reorganization.

In the 1960's, this system aided in the achievement of relatively high rates of economic growth, the abatement of cyclical fluctuations in production and, to a certain degree, the structural reorganization and capitalist rationalization of the economy through the use of technological innovations. The GNP increased more than 1.5-fold in constant prices, with a 4.3-percent average annual rate of increase.[1] This was fostered by a complex of measures to stimulate private investments and expand consumer demand, which were carried out in the neo-Keynesian spirit by the administrations of J. Kennedy and, in particular, L. Johnson. The complex included the policy of deficit budget financing, credit expansion and "cheap money," the subsidization of monopolies, the liberalization of rules governing the accelerated depreciation of fixed capital and additional tax privileges primarily for companies making up the military-industrial complex, the reduction of income taxes and the partial augmentation of social benefits.

The acceleration of economic development, however, exacerbated conflicts in the reproductive mechanism, social contrasts and inequality and the sociopolitical crisis in American society. It gave rise to problems that state regulation was incapable of solving. This was inevitable, since, under the capitalist form of distribution and appropriation of the results of labor, even constantly high rates of economic growth and high levels of material wealth do not guarantee the resolution of general economic problems, not to mention social and spiritual problems. This idea was uniquely expressed by K. Gordon, former president of The Brookings Institution: "In the broad sense of the term, the economic goals of the 1960's have been attained.... Nonetheless, our people are even more worried now than 10 years ago, and our internal problems now seem even more insoluble, and even ineradicable. The coexistence of increasing abundance and increasing social ills has led many to the confusion that prosperity as a whole can no longer be judged a factor alleviating social defects, that this is a mirage and that the size of the GNP has now turned into a false deity."[2] Much was also said about the deceptive nature of this indicator when problems in long-range economic growth were discussed in the Joint Economic Committee of Congress in the fall of 1975.[3]

In connection with all this, instead of the social product, or, more precisely, in addition to it, many American economists and politicians have begun to see the main goal and criterion of the strategy and government policy of economic growth as the comprehensive indicator of the "quality of life" and its components--the level of public employment, the condition of the environment, medical services and the educational system, tourism, leisure, the structure of family budgets and so forth. There is no question that the attempts to proclaim the "quality of life" one of the main goals of government economic policy contain a substantial dose of social demagogy and are calculated to camouflage the class nature of state-monopolistic capitalism. Ample proof of this can be found in the mere fact that military spending is always given absolute preference in the system of federal budget priorities. Something else is also indisputable: With the achievement of a specific level of production and consumption, it is not so much the material and physical elements of social production that acquire primary significance as social problems and conflicts.

Whereas in the face of cyclical recovery in the 1960's, which was unprecedented in terms of duration and intensity, state-monopolistic regulation produced a definite effect and stimulated economic growth, during the next stage in economic development, which began at the end of the same decade, it turned out to be absolutely ineffective. And this was completely understandable. "Capitalism has made every effort to stay in step, so to speak, with the times by employing various methods of economic regulation. This has stimulated economic growth, but, just as the communists foresaw, it did not eradicate the contradictions of capitalism.... Now everyone can see that one of the chief myths created by reformists and bourgeois ideologists has been repudiated--the myth that the capitalism of our day is supposedly capable of escaping crises. The instability of capitalism is becoming increasingly evident."[4]

The world economic crisis of 1974-1975, which constituted a new cycle, simultaneously marked the beginning of what promises to be a prolonged period of considerable deterioration in all of the main conditions of the reproduction of social capital in comparison to the preceding quarter-century. The mid-1970's was a barrier separating a period of relatively high rates of economic development in the industrial capitalist countries from the present period of much lower rates.

It is true that it has already been 4 years since the United States underwent the lowest point of critical decline in industrial production in May 1975. The phases of depression and recovery are over, and the phase of cyclical upsurge commenced at the end of 1976. But this was not a broad-scale or intensive upsurge, but a highly contradictory and unstable one. A gradual process of production development was interrupted by fairly lengthy intervals. Whereas in 1976 the growth rate of the GNP was 5.7 percent, in 1977 it was 4.9 percent, and in 1978 it was 4.1 percent. The sluggish investment process did not become more active until just recently, but this was accompanied by the considerable exhaustion of such factors of economic stimulation as the expansion of consumer demand. Mass unemployment, intensive inflation and the substantial underloading of production capacities are still present, and the problem of deficits in the balance of payments, the balance of trade and the federal budget is as urgent as ever. In the summer of 1979, the United States began to slip into a new economic crisis.

None of this is surprising: The crisis of 1974-1975 and the subsequent extraordinarily lengthy period of recovery did not essentially resolve the main conflicts that gave rise to the crisis; many of them far transcend the cyclical framework and are long-term, structural and chronic in nature. Certain structural crises developed, such as the fuel and energy, raw material, currency and ecological crises and chronic inflation (it now accompanies the development of the American economy not only during the years of its growth, but even during periods of recession, production decline and unemployment figures running into the millions). Sectorial crises (in mining, metallurgy, ship building and the textile industry) and the crisis in world economic ties have not been overcome as yet.

The extraordinary economic situation of the second half of the 1970's gave rise to an acute crisis in U.S. economic policy. Traditional forms of anti-crisis, anti-cyclical and anti-inflation policy, stabilizing policy in the field of prices and employment and long-range economic strategy suffered bankruptcy. The intensive disruption of the entire system of state-monopolistic regulation has been reflected in the inability of the trivial neo-Keynesian methods of managing total "effective demand," which lie at the basis of this system, to guarantee the following: Firstly, a solution to the problem of the "magic rectangle" (the simultaneous noticeable expansion of production, reduction of unemployment, de-escalation of inflation and equalization of the balance of payments); secondly, the maintenance of necessary reproductive and sectorial proportions; thirdly, the correction of the shortage in some types of products and overproduction of others and the eradication of various sectorial crises.

The inadequacy of the state mechanism for the regulation of problems arising under the fundamentally new conditions of the 1970's contributed to the further exacerbation of the economic contradictions of American capitalism and the squandering of its productive forces. Senator L. Bentsen, chairman of the Subcommittee on Economic Growth of the Joint Economic Committee of Congress, made the following announcement: "The government's inability to predict economic problems and to prepare to fight against them predetermine the intensity of the crisis in government policy.... The American people are now paying a colossal price for the bankruptcy of their government, which turned out to be incapable of working out an adequate mechanism for predicting and preventing crises."[5]

The combination of all this revealed the inefficiency of the previous fragmented, and often directly contradictory, methods of government control over individual components and areas of the reproduction process. Isolated measures to prevent and alleviate overproduction crises turned out to be obviously inadequate, as did the sporadic regulation in other phases of the cycle with the aid of "built-in stabilizers," the methods of "precision tuning" and "stabilizing policies," the simple alternation of inflation and deflation policies and the vacillation between the stimulation of economic growth and its deceleration.

The inefficiency of the entire system of state-monopolistic economic regulation and the gradual recognition by ruling circles of the need for its reorganization accelerated the process by which the U.S. economy made the transition to programming on the nationwide scale.

At present, the agonizing process of the reassessment of values is going on in the United States, and a continuous search is being conducted for ways of overcoming the crisis in the system of state regulation and of fundamentally reorganizing and reorienting this system. A transfer from the postulates of anti-crisis and anti-cyclical policy to a qualitatively higher level of medium-range and long-range programming for structural advances and the modification of basic economic proportions has become an objective necessity. Balanced future national economic development will require the unification of various guidelines and measures of state economic policy and the centralization and coordination of production management on the nationwide scale.

Strictly speaking, the need for the planned management of productive forces is naturally engendered by the very requirements of their development, particularly in an era of technological revolution. This is dictated by the present level of production concentration and capitalist collectivization, its monopolization and nationalization and the interaction by national, transnational and international corporations. Planned economic management is required by the social nature of production and consumption, the colossal growth of their dimensions, the increasing complexity of the contemporary American economic mechanism and the increasing interdependence of all links in the overgrown U.S. production system.

Naturally, harmonious and proportional economic development according to a single plan throughout the entire society is impossible under capitalism. In spite of the evolution of capitalist ownership (from individual private enterprise to joint stock companies, and then to state or private-state concerns), it has not lost its fundamentally private characteristics, and its nature has remained essentially unchanged. None of the planning elements introduced into the market economy of capitalism by monopolies and state-monopolistic regulation can change the essence of this economy, which is spontaneous and anarchic on the whole. But the tendency toward planned economic development, even in antagonistic forms of programming or specifically capitalist planning, is nonetheless gradually making itself apparent in the United States by imposing some restrictions on market spontaneity and modifying the laws of competition and production anarchy.

Development of Components of the Programming System

The bases of the American system of economic regulation and programming began to take shape long ago. We know that the United States was essentially already being used as a testing-ground in the beginning of the 1930's, where the Keynesian ideas of state economic regulation were first comprehensively tested in peacetime under the conditions of bourgeois democracy.[6] The economic regulations of F. Roosevelt's "New Deal," based on these ideas, represented the first experiment with anti-crisis policy in the nation, which at that time, exactly half a century ago, was being held in the clutches of the "great depression" more firmly than other nations. This period was followed by World War II and the economic mobilization program placed at its service, which subordinated the entire U.S. economic organism to the needs of war and pulled together the many threads of production control into a single coordinating center for this purpose. In turn, the employment act passed by Congress in 1946, even though it was only an abbreviated and extremely watered-down version of the Murray Bill, was one of the first legislative actions in the capitalist world that obligated the government to program the resolution of employment and unemployment problems.

In the postwar decades, such important elements of the programming system took shape in the United States as macroeconomic forecasting and federal programs for the development of individual branches and production complexes, economic, scientific, technical, sociopolitical and foreign policy processes, government revenues and expenditures; many of these elements were further developed here than in the other capitalist countries.

The United States is ahead of these other countries in terms of the scales, methods, technical means and thoroughness of forecasting studies, which have traveled the long road from the short-term market forecasts (the "Harvard barometers"), on which anti-crisis policy was once based, to medium- and long-range forecasting with the aid of various methods of economic and mathematical modeling and electronic computer equipment. Macroeconomic forecasts are now studied and compared by U.S. Government and semigovernmental agencies, industrial monopolies, banks and insurance companies, consultative firms, economic research institutions and universities. Long-range forecasts are drawn up by the Joint Economic Committee of Congress, its subcommittees, the White House and other governmental institutions and many private institutions.

Economic forecasting, just as programming in general, expands the basis for stable and long-term relations between the largest monopolistic associations and government agencies. If we do not consider the propagandistic and apologetic aspects of the forecasts, both government agencies and monopolies have an interest in ensuring that they are realistic. On this basis, they form increasingly close ties and exchange more and more information. Federal departments and other agencies working on forecasts make extensive use of private corporate polling services, and the firms, in turn, plan investments and production output with consideration for the economic measures the government hopes to implement.

Furthermore, large-scale long-range federal programs are now being widely used in almost all civilian and military spheres, in the economic, scientific, technical and social fields. Whereas 30 years ago all programs on the government level accounted for less than one-fifth of the GNP, the figure now exceeds one-third.[7] In the civilian sector alone, 1,044 special federal programs were being carried out by 52 central agencies in 1977.[8]

In the last two decades, the management of federal programs has undergone several substantial changes. Between the mid-1960's and 1973, organizational and administrative program management was based mainly on the "Planning-Programming-Budgeting" (PPB) system. This system was instituted in the military establishment in 1961 and later spread to a number of civilian branches. By 1970, it was being used to one degree or another by 26 federal agencies and several state, county and municipal governments.[9] Over 60 percent of the main domestic federal programs were researched with the aid of PPB principles, and approximately 95 percent of the federal budget was distributed in line with these principles.[10]

Until recently, the PPB system was a significant link in the set of organizational and technical means of public administration in the United States. It made it possible to search for optimal ways of spending government funds and considerably rationalized the process of program compilation and decision-making at various levels of public administration. Periodic checks of the effectiveness of the PPB system by congressional committees and federal agencies indicated that it did not always promote the efficient distribution of budget appropriations, that it did not solve many old problems and that it gave rise to new, equally serious problems. Nonetheless, this three-stage system, which was officially abolished in 1973, had a considerable effect on the management of government programs and retains some of its significance even now. It is still being used by some institutions of the Department of Defense, although in slightly modified form, and the very principle of the program budgeting method of assessing the effectiveness of government measures is still being implemented in civilian departments, federal agencies and many states.[11]

The PPB system was replaced with a broader, goal-oriented approach with comprehensive analysis and evaluation of programs and "goal management," which is already being used in 11 departments and 50 agencies. The emphasis is being shifted from systems analysis to the more all-encompassing "policy analysis" and "program analysis." By 1974, this work was already being conducted with the aid of 650 economic-mathematical models of quantitative analysis at a cost of approximately 100 million dollars.[12]

A particularly important role among federal programs has been played by national plans for the development of individual branches and entire production complexes, consisting of groups of related and associated branches, which are in a worse state, and in some cases in a critical state, and programs for the resolution of pressing problems that are having a negative effect on the entire national economy and its short-range and more remote prospects. These include, for example, the national energy plan, programs for combating the ecological crisis, the development of agriculture, transportation, natural resources, productivity, employment, urbanization problems, highway construction, etc. We will discuss the first of these programs in greater detail because it is now exceptionally important in the United States for obvious reasons.

The move from isolated measures to broad-scale government programming of power engineering in the United States began in the early 1970's. In October 1978, a national energy program was adopted, in accordance with which new legislation went into effect, covering the production, distribution and utilization of essentially all primary energy resources and the development of related branches. The announced primary goal was not the achievement of the nation's energy independence, since this is regarded as an illusion, but simply the reduction of U.S. dependence on petroleum imports by the mid-1980's. The content and purpose of the energy program have already received press coverage.[13] Here we will only mention some of its features in the context of the subject of this article.

This program and all related legislation and practice indicate that the entire matter is limited to indirect government regulation of private monopolistic enterprise in the sphere of energy. Emphasis has been placed on tax and budget levers, federal price controls on oil and natural gas and government regulation of the use of energy sources. This has not involved the nationalization of the oil and gas industries or the production of primary energy resources. With the exception of hydraulic power engineering, energy production has remained totally under the control of private monopolistic associations. The authors of the program are intensively publicizing the advantages of indicative planning.

Years of experience with indicative planning in France and other Western European countries has shown, however, that no monopoly will be guided by optional program recommendations, take on any obligations in this field or voluntarily refuse credit, tax and other priorities and government orders and purchases at a time when market conditions promise it a higher profit norm or a larger profit volume if it adheres exclusively to its own egotistical interests. Under these conditions, the failure to create a government energy center will naturally diminish the impact of energy programs.

Furthermore, the experience of the United States in the 1960's and 1970's clearly reveal the ineffectiveness of separate, uncoordinated and often incompatible methods of government regulation of inflation by means of the credit and budget mechanism, price and wage controls and methods of stimulating economic growth and guaranteeing fuller employment. Pointing out the bureaucratization of the government economic system and the uncoordinated and contradictory actions of its various links, Senator M. Mansfield said: "We have too many agencies, bureaus and institutions that quite frequently act against one another. They are actually disunited and, according to my observations, are functioning in opposite directions, duplicating and overlapping one another."[14] In turn, the contradictions and conflicts between the executive and legislative branches and their lack of coordinated action often cause unjustifiable delays in decision-making, which can only have a negative effect on the economy under the present conditions of change by intensifying capitalist spontaneity and giving rise to a new complex of contradictions.

This has made it necessary for ruling circles to search for more correspondence between long-term goals of economic policy and regulation of the entire economic structure, on the one hand, and means of day-to-day, short-range market control, on the other. Attempts are also being made to coordinate the activities of various governmental economic institutions by creating interdepartmental coordinating committees. The agencies of federal economic regulation are being reorganized, departmental barriers are being crossed and administrative forms are being modified. New institutions are concerned with the resolution of nationwide as well as sectorial problems, and are performing forecasting and programming functions in connection with individual economic, scientific, technical and sociopolitical processes, as well as the national economy as a whole.

In 1962, for example, a special federal committee was created to investigate the problems of economic growth. Another special committee, consisting of the secretary of the Treasury, the director of the Office of Management Budget and the chairman of the President's Council of Economic Advisers, was set up to work out general economic and budgeting forecasts and recommendations for the President on economic and, in particular, fiscal policy, and to analyze the stabilization policy as a whole. This agency, which is called a "triad," has no official status, but has been quite active. When the chairman of the Federal Reserve System joins this group to discuss domestic and international currency problems, the body is called a "tetrad." Meetings of representatives from these agencies on a lower level are also held regularly. In 1969, a federal committee on economic policy, with coordinating and advisory functions, was formed. It is made up of the President, the vice-president and the heads of all economic departments and other major federal economic regulatory agencies. A new council on economic policy was established in 1973. In January 1977, J. Carter formed an economic policy group, consisting of two committees--executive and administrative--immediately after his inauguration.

Numerous federal interdepartmental agencies also exist. These include the Committee on Construction, the National Commission on Productivity, the Environmental Protection Agency, the Consumer Product Safety Commission, the Occupational Safety and Health Administration, the Interstate Commerce Commission, the Civil Aeronautics Board, councils on the cost of living, agriculture and urbanization, the Committee on Defense Programs, committees on national energy problems and oil policy, and a joint administration of fuel supply and transport.

Finally, the tendency toward economic programming on the nationwide scale was stimulated considerably by its attempted legislative reinforcement in crisis and subsequent years.

As early as March 1973, the draft of a national development planning act was submitted to Congress, but was never enacted. It stressed the urgent "need to create an effective and all-encompassing system for planning the development of the nation as a whole." The document envisaged the creation of a "goverment mechanism to ensure environmental protection, population control and the production of material resources needed for the maintenance of a high standard of living." For this purpose, the creation of a President's council for the planning of national development was proposed. This council was to have extensive authority "in the general management and coordination of all federal and federally controlled development programs, including manpower training, the distribution and utilization of material resources and the use of energy sources."[15]

Senators H. Humphrey and J. Javits later introduced a bill on balanced national growth and development in Congress. This bill recognizes the need to put an end to "unplanned growth, growth without purpose or guidelines," to begin work on medium-range and long-range programs for economic development and to create a special administrative mechanism for this purpose. "We," H. Humphrey said, "could continue to take the path of accidental growth and frequent ecological, economic and social crises. But this will lead to national catastrophe. We could, however, create a mechanism and develop processes to elaborate a policy, stimuli and programs of balanced, reasonable and coordinated national growth. Only this second alternative will allow us to control and coordinate our future and will not allow events or fate to determine it."[16]

The opponents of government intervention in the economy, of whom there are many both inside and outside the Capitol, killed the Humphrey-Javits bill on the pretext that it would threaten the "freedom of private enterprise and consumer choice." It was not until 1978 that a watered-down version of this bill was passed--the "Act on Full Employment and Balanced Growth," introduced by Humphrey and Hawkins first in 1975, and then again, in weaker form, in 1977. The Humphrey-Hawkins Act obligates the President to formulate in detail the short-range goals for the next 2 years and recommend fiscal policy measures needed for their attainment; in addition, he must formulate medium-range goals each year for the next 5 years and propose the appropriate federal budget revenues and expenditures. Congress must assess the President's proposed economic strategy and set forth its own choice of goals and corresponding economic policy measures, which may or may not coincide with the President's recommendations. The unemployment norm--this is the cornerstone of the act--has been set at 4 percent for 1983. The act also lists possible means of price stabilization. It does not, however, envisage the institution of new large-scale federal programs or the creation of new federal agencies to oversee economic development.[17] Therefore, although the Humphrey-Hawkins Act represents a definite advance toward government programming in comparison to the Employment Act of 1946, it is much further from a formal declaration of a course of capitalist planning of the, so to speak, "American type" than even its initial variations that were buried in Congress.

The French Way or the American Way?

In the heated debates over the possible limits of government regulation, particularly programming, which have been going on for a long time in the United States, contradictory views have been expressed in regard to the prospects of the "American type of planning." Some economists believe it would be unrealistic to expect American corporations to begin using official government plans within the near future as a guide for projected investments, as is now being done, for instance, in France or Japan. This view was once most precisely expressed by G. Colm--former chief economist of the National Planning Association. Other bourgeois economists, on the other hand, believe that not enough is being done in this area at present, at this time of increasingly acute economic conflicts and difficulties, and they have advocated the use of French indicative methods to enhance the competitive potential of the United States in world markets. These methods, according to A. Hansen, the dean of American economists, "involve the business community and government in mutual participation in a well-planned, reliable long-range program." President J. Kennedy also pointed out the need for a thorough study of the French experience and the stronger coordination of programs for economic development, and the AFL-CIO congress, noting that "we cannot rely on blind market forces," proposed in its resolution that a "national planning agency" be created in the United States.[18]

Some American economists believe that the nation has already had a planned economy for a long time. The same G. Colm has said, for example, that "it would be a mistake to say that there is no economic planning in the

United States." Around 15 years ago, he was already using this term to categorize, firstly, what he called "program planning" in the federal, state and muncipal governments, secondly, in-house planning in private corporations, and thirdly, the "planning of economic policy" on the national level for the purpose of guaranteeing an acceptable level of employment, the desired rate of production growth, price stability, equilibrium in the balance of payments, etc.[19] But this is an obvious exaggeration. How does the matter actually stand?

Although there has been noticeable progress in the transition of the United States to a system of state-monopolistic programmed economic development, the process is still far from complete. Its individual links, which were listed above, still do not constitute the type of unified system that developed during the last quarter-century in most of the Western European countries and Japan. Naturally, no other nation in the capitalist world can compare with the United States in terms of the realization of the economic function of government, the governmentalization of the economy in the broad sense of the term, the "inclusion" of government in the process of social production, the development of the government market, the power of monopolies and the strength of the mechanism in which the forces of monopolistic capital and government are closely merged. Nonetheless, the United States has still not achieved the higher type of state economic programming that has been developed by its chief imperialist competitors.

In fact, the United States is one of the few capitalist countries (in the same category with only Canada, Austria, Switzerland, Denmark and Luxemburg), in which the extensive system of state-monopolistic regulation has not acquired completely developed forms of economic programming as yet. The United States has no government programs for the development of the entire economy for 5-10 years in advance, which could have been ratified, as in many other capitalist countries, by legislators or the administration. The federal administration is not working on any long-range investment plans on the nationwide scale either. The government has no agencies that bear even the slightest resemblance, in terms of functions and scales, to the General Planning Commissariat and Planning Council in France, the Committee of Ministers for Economic Programming in Italy, the National Economic Development Council in England or the Office of Economic Planning of the Japanese Cabinet of Ministers.

The reasons for this can be found in the specific historical features of the development of monopolistic capitalism in the United States and this nation's lack of the particular economic conditions needed to turn the possibility of nationwide programming into a reality. This is due to several factors, among which the underdeveloped and relatively weak nature of the public sector is of cardinal importance. There has been virtually no nationalization in the United States, and the other capitalist countries are ahead of the United States in terms of relative quantities of government-owned property (the proportion in reproduced material wealth in the United States has been 13 percent for a long time).[20] And without a public sector, programming has no basis. It must rest primarily on government-collectivized branches and enterprises because no private companies anywhere have ever followed the recommendations of an indicative plan when these have run contrary to the interests of maximum monopolistic profits. The proportion accounted for by government investments in gross capital investments in the United States is also smaller than in several other large capitalist countries.

The American monopolies have enough power and competitive potential to get along without such props as nationalization and a public sector for the time being. They prefer indirect, rather than direct, economic regulation by government with the aid of credit and tax levers. We must agree with American economist W. Leontief that "planning will be instituted not when the radicals wish, but when it is needed by businessmen."[21]

The U.S. economy did not experience wartime destruction because all World War II operations took place on other continents. The American bourgeosie was not weakened by the war or the kind of revolutionary uprise of the masses that occurred in Western Europe. It did not have to put forth any great efforts for rapid economic recovery. The collapse of the colonial system had the least effect on the United States and its economic structure. Besides this, the ruling class in the United States is more afraid of nationalization and its consequences than the ruling class in other capitalist countries, just as it is more afraid--or, at least, it was until recently--of the very term "planning." "Paradoxically enough," G. Colm writes, "there is the serious suspicion that planning is a communist and socialist instrument for which there is no room in the system of free enterprise."[22] J. Galbraith has also commented that, "with the coming of the cold war, the word 'planning' acquired an ideological after-taste.... This happened when the extensive use of modern technology and the related nature of the use of time and capital urgently dictated the development of planning in all industrially developed societies. This has now been recognized, and the word 'planning' is once again becoming acceptable in the most diverse circles."[23]

All of this explains the peculiarities and distinctive features of the process by which the United States is making the transition to economic programming on the nationwide scale. There is no question that this process is developing and that it must probably will be broadened and deepened as it develops. No matter how much the U.S. ruling class fears the term "planning," it is being pressured by the imperatives of the development of productive forces and the exacerbated contradictions of reproduction to resort to gradual and increasing government intrusion into the "inner sanctum" of private ownership and the use of the principles of capitalist programming, which are alien, generally speaking, to the very principles of capitalism, since it is anarchic by its very nature. Over the long range, this will not be fundamentally contradicted by the individual measures taken by some administrations to weaken state regulation of various, mainly secondary, spheres of the economy.

Therefore, there is every reason to state that the basic elements of a programming system have taken shape in the nation and that the transition to government programming of the national economy is being made step by step as the main form for the realization of the economic strategy of the ruling class.

FOOTNOTES

1. ECONOMIC INDICATORS, January 1970, p 3.

2. "Agenda for the Nation," Washington, 1968, p 5.

3. "Long-Range Economic Growth. Hearings Before the Joint Economic Committee. Congress of the United States. 94th Congress, First Session, October 23 and 24, 1975," Washington, 1976, pp 2, 9, 33, 41.

4. "Materialy XXV s"yezda KPSS" [Materials of the 25th CPSU Congress], Moscow, 1976, p 28.

5. "Long-Term Economic Growth. Hearings Before the Subcommittee on Economic Growth of the Joint Economic Committee, Congress of the United States. 93d Congress, Second Session, May 8, 9, June 11, 12 and 26, 1974," Washington, 1974, p 12.

6. For more detail, see S. Dalin, "Ekonomicheskaya politika Ruzvel'ta" [Roosevelt's Economic Policy], Moscow, 1936, pp X, XV; J. Galbraith, "How Keynes Came to America," Stamford, Connecticut, 1965.

7. See "The Budget of the United States Government. Fiscal Year 1978," Washington, 1977, p M-3.

8. See "1977 Catalog of Federal Domestic Assistance," Washington, 1977.

9. See the article by Yu. V. Katasonov and Ye. A. Chizhov, "The PPB System in the Federal Government," in issue No 1 of the journal for 1972--Editor's note.

10. See "The Analysis and Evaluation of Public Expenditures: The PPB System," vol 2, Washington, 1969, p 637. "Special Analyses. Budget of the United States. Fiscal Year 1971," Washington, 1970, p 269.

11. For more detail, see the article by L. I. Yevenko and A. A. Voronkov, "New Trends in Federal Program Management," in issue No 10 of the journal for 1977--Editor's note.

12. "Federally Supported Mathematical Models: Survey and Analysis," Washington, June 1974, pp 3-4.

13. See, for example, the article by V. A. Nazarevskiy, "On the Results of the Energy Debates," in issue No 2 of the journal for 1979--Editor's note.

14. "Long-Term Economic Growth," pp 6-7.

15. "Statements on Introduced Bills and Joint Resolutions. Congressional Record," vol 119, No 42, 1973, pp S5039-5051.

16. "Long-Term Economic Growth," p 22.

17. The "Economic Report of the President 1978," Washington, January 1978, pp 14, 93-95.

18. See PROBLEMY MIRA I SOTSIALIZMA, No 10, 1965, p 85.

19. G. Colm, "Economic Planning in the United States," WELTWIRSCHAFTLICHES ARCHIV, vol 92, No 1, Hamburg, 1964, pp 31-33.

20. "Statistical Abstract of the United States 1972," pp 337-389; "Politicheskaya ekonomiya sovremennogo monopolisticheskogo kapitalizma" [Political Economy of Contemporary Monopolistic Capitalism], vol I, Moscow, 1975, p 37.

21. FORTUNE, March 1977, p 148.

22. G. Colm, Op. cit., p 32.

23. J. Galbraith, "New Industrial Society," Moscow, 1969, pp 57-58.

8588
CSO: 1803

UNITED STATES PUBLIC OPINION AND SALT II

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 62-64

[Article by M. M. Petrovskaya]

[Text] The struggle over the ratification of the SALT II treaty has separated the supporters of the treaty from its opponents in the United States and has quite clearly designated those who adhere to a realistic foreign policy line and those who, seized by anti-Sovietism, are pushing the United States in the direction of continued and unrestrained militarization. In this conflict involving various political forces, a special role is being played by the fight for public opinion and the desire to create a specific climate within the nation that will provide opportunities for influencing the public so that the results of this influence can be used as an important argument in favor of the particular line.

Opposition to the treaty is being headed by the Coalition for Peace from a Position of Strength, once part of the conservative group called the American Security Council, which played an important role in escalating the cold war atmosphere. Its leaders frankly admit that they intend to spend around 10 million dollars to influence public opinion: by means of anti-SALT publications, advertisements, lecture tours and television programs. In order to influence the members of Congress, the coalition plans--and this is already being practiced--to literally flood Congress with printed materials and to organize "countless numbers" of informational conferences for the congressional staff.

The American Conservative Union--another of the treaty's opponents--has spent more than 400,000 dollars to broadcast an anti-Soviet television film which implies that the United States is retreating in the face of "growing Soviet strength."

The Committee on the Present Danger is tirelessly spreading the myth of the "Soviet military threat." One of the pillars of this committee, former head of the American SALT delegation P. Nitze, has been traveling around the country to speak at meetings for the purpose of convincing people that an agreement on the limitation of strategic offensive weapons will undermine U.S. security. The "crusade" against SALT II has also been joined by other members of the committee, including former Assistant Secretary of State W. Rostow.

Vigorous efforts to undermine the SALT II treaty are being made by the Heritage Foundation in Washington, with a staff of only 40 but a budget of 2.5 million dollars. Sizable contributions for the organization of a campaign against the ratification of the SALT II treaty are being received from manufacturers of weapons. As CHRISTIAN SCIENCE MONITOR correspondent A. Harsch has pointed out, "the industry, working on defense contracts, has vast finances and cannot be accused of stinginess; naturally, it will go to any lengths to destroy SALT II or any other project falling under the general category of 'detente.' Instinctively and unfailingly, this industry is supporting and spreading the doctrine of hostility toward the Russians."

The purposeful propaganda campaign of SALT II's opponents and the statements made by several political figures who have fallen prey to this propaganda have had a definite effect on the mass mentality in the United States. But the opponents of the treaty have not been able to attain their main objective: to influence the majority of the U.S. population to such a degree that it will refuse to support the normalization of relations with the USSR or negotiation with the Soviet Union on problems in the limitation and subsequent reduction of strategic weapons.

When people were asked directly: "Are you for or against an agreement on SALT?"--the agreement was invariably supported.

Attitude toward SALT, %	Dec 1975	Mar 1977	May 1977	May 1978	Jun 1978
For	59	66	77	75	72
Against	14	8	8	12	17
Undecided	27	26	15	13	11

PUBLIC OPINION, July-August 1978, p 24.

The table shows that throughout the 1975-1978 period, which was marked by complications in Soviet-American relations, the number of respondents supporting SALT did not fall below 59 percent and essentially stayed above 70 percent.

In June 1978, the leading polling services, in spite of differing numerical indicators, were already ascertaining "strong support" for a SALT agreement: from 67 to 78 percent of all respondents.

According to data for the end of 1978, 75 percent of the Americans polled favored a new agreement with the Soviet Union on strategic arms limitation and only 17 percent were opposed (8 percent were undecided). Moreover, even among those who did not believe that the agreement would strengthen U.S. national security, 51 percent were in favor of it (41 percent against). In general, it could be concluded, the NEW YORK TIMES reported in December 1978, that "more and more Americans are in favor of lasting peace, object to U.S. intervention in crisis situations abroad and support the Soviet-American strategic arms limitation talks."

This attitude did not change during the last month prior to the Vienna meeting of L. I. Brezhnev and J. Carter. According to the results of surveys conducted by ASSOCIATED PRESS and the NBC Broadcasting Company in March 1979, the overwhelming majority of Americans surveyed--71 percent--favored the quickest possible conclusion of a Soviet-U.S. treaty on the limitation of strategic offensive weapons. Half of those surveyed expressed the belief that the limitation of such weapons would strengthen U.S. security.

The research firm of Jankelovich, Scully and White, which conducts polls, in particular, for TIME magazine, confirmed in April 1979 that the SALT agreement was winning more and more support.

The same month, Gallup polled the "informed public." This category included all those who had not only heard or read about SALT, but also had some opinion as to its "advantages and drawbacks." The respondents favored the ratification of the SALT II treaty 3 to 1. Those who favor ratification, Gallup noted, believe that a treaty limiting the stockpiling of nuclear weapons will help to strengthen peace throughout the world and will simultaneously help to strengthen the nation's economy by reducing expenditures on weapons.

On the eve of the Vienna summit meeting, the NEW YORK TIMES newspaper printed the results of a public opinion poll, confirming that the Americans were 3 to 1 in favor of the SALT II treaty. The newspaper commented that the treaty was "winning more support than the program for increased military spending."

The administration, therefore, is relying on the support of public opinion in its struggle against the opponents of the treaty. In speeches preceding the Vienna meeting, President J. Carter made numerous references to the results of public opinion polls, stressing that they attested to the desire of the overwhelming majority of Americans to reach an agreement with the Soviet Union on the limitation of the arms race.

A special task force made up of State Department personnel was set up to explain the significance of the treaty to the American population. This task force was supposed to carry the ideas of SALT into the most remote corners of the nation. Conferences were also to be held in various cities, at which representatives of the public could learn the administration's views on SALT. According to U.S. NEWS AND WORLD REPORT, the purpose of these measures was to convince prominent local officials of the need to support the treaty and put pressure on their senators.

In its actions, the administration is also relying on the support of an organization called Americans for SALT, headed by former Assistant Secretary of the Air Force T. Hoops and prominent diplomat and political correspondent C. Yost. This organization hopes to coordinate the activities of labor unions, environmental protection advocates and other organizations in support of SALT.

On the official level, however, the supporters of the treaty only began to make an effort to organize concrete action in defense of SALT long after the opponents of the treaty had been at work, and this was naturally reflected in the pitch of the struggle over the treaty. Although it is apparent that the majority of Americans support SALT II, the treaty's opponents are nonetheless quite influential and will persist in their attempts to win certain segments of the U.S. population over to their own side so as to exert pressure on the Senate. As POLITICAL AFFAIRS pointed out, "it will take a truly massive and decisive struggle" to win the Senate's "advice and consent" to the ratification of the SALT II treaty, which will require its approval by two-thirds of the senators.

8588
CSO: 1803

UNITED STATES AND THE UNCTAD SESSION IN MANILA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 64-69

[Article by I. I. Dmitriyev]

[Text] For 4 weeks in May and June 1979, the rooms and halls of Manila's Convention Center were the scene of heated debates in regard to problems in international trade and economic development. The agenda of the fifth UNCTAD (UN CONFERENCE ON TRADE AND DEVELOPMENT) session, which was held here, included around 30 items connected with the still inferior status of the liberated countries in capitalist trade, as well as the consequences of the world economic crisis of the mid-1970's, most of the burden of which had been shifted to their shoulders by imperialism.

The urgency and importance of these problems are self-evident. The events of recent years once again proved that the young states remaining within the framework of the worldwide capitalist economic system are doomed to suffer the chronic diseases of the West, and in a more severe form at that. The economic crisis gave rise to new fluctuations in the prices of raw materials and a new wave of trade protectionism in the West, aimed primarily against industrial exports and the industrialization of the developing countries, and their foreign debt, owed primarily to the imperialist powers, rose to 300 billion dollars. All of this provides more evidence that the Western states are already responsible not only for the backwardness of the African, Asian and Latin American countries during the colonial era, but also for the obstacles to their economic development and the disparities in this development during the post-colonial period.

Under these conditions, it would be logical to expect the former mother countries to take steps of some kind for the purpose of preventing crisis phenomena from "spilling over" into the developing countries and at least partially compensating for past damages. It is precisely this that the developing states were demanding in the Arusha Declaration, prepared by them collectively for UNCTAD-V. Their demands were supported by the socialist states. Western delegations, however, took an openly negative stand. The American delegation also took the most extreme stand in Manila, although the U.S. administration had repeatedly announced its adherence to a "new" policy toward the developing countries and its intention to act "more openly" and "humanely."

The study and comparison of events of recent years indicates conclusively that the U.S. stand at UNCTAD-V was the result of lengthy preparations and a serious debate in American political and business circles. All of the participants in this debate, which began after oil prices took their first upward flight in 1973-1974 and the developing countries announced their program for a new international economic order to the United Nations, proceed from the obvious fact that the American economy is becoming increasingly dependent on foreign markets and that it has no other alternative.[1] Various factions, however, have drawn various conclusions from this fact. Whereas realistic political figures and businessmen favor the revision of U.S. foreign economic strategy and the renunciation of the more odious attempts to continue the overt exploitation of human and natural resources in the developing countries, another segment of U.S. ruling circles nonetheless hopes that American power and influence are still sufficient for the attainment of U.S. goals even under these new conditions, since the present situation is not simply one of U.S. dependence on the liberated states, but one of "interdependence." In fact, it was this conviction that gave birth to the theory of the same name, bequeathed to the engineers of American foreign economic policy by H. Kissinger.[2]

After the prolonged debates and the lengthy period of uncertainty that were characteristic of the first years of the Carter Administration, it was precisely this latter line that prevailed. As a result, all of the previous goals and methods of U.S. policy in relations with the developing countries underwent only "cosmetic repairs," while the arguments used to substantiate Washington's stand in the United Nations and UNCTAD were chosen with a view to preventing, rather than promoting, the changes that were taking place in these countries. This was clearly attested to by a report entitled "The Global Economic Challenge" and prepared by the Council on Economic Policy of the American United Nations Association. The document was signed by around 80 of the most prominent representatives of American business and political circles. Stating that the debates over the new international economic order "were resembling confrontation more and more," the authors of the report asserted that this course of events "would be in the interests of neither the most active petitioners for change--the developing countries--nor the developed nations." In connection with this, they set forth their own alternative to the program for the new economic order, based on the rejection of all plans for the "universal and immediate reorganization" of international economic relations and the replacement of these plans with a "search for practical ways" of coordinating the demands for a new order with American interests.

The fact that this alternative is unacceptable not only to the developing countries, but also to many U.S. allies in the West that are most dependent on raw material imports, was already quite clear when the preparations were being made for UNCTAD-V. Nonetheless, the abovementioned report was sent to the United States as the "consolidated opinion" of American business and political circles and was given the status of "political recommendations," which were largely followed in Manila by American economic diplomacy.

Specifically, the following four premises lay at the basis of the "pre-Manila" U.S. stand. First was the refusal to recognize the collective documents of the developing countries, particularly the Arusha Declaration, as a basis for negotiations at the session. Above all, this nonrecognition applied to demands for the structural reorganization of the capitalist economy--that is, the transfer of several stages of raw material processing from the developed capitalist nations to the developing countries, the accelerated industrialization of the developing countries and the opening of Western markets to their finished commodities. The second was a selective approach to topics of discussion. "It is our duty," A. Young, then the permanent U.S. representative to the United Nations, announced, "to admit the impossibility of agreeing on some issues, to shelve them temporarily and to concentrate on others." He was referring to the United States' deliberate refusal to engage in concrete negotiations on some items on the agenda that were outside American interests. The third was a "gradual" approach to the offer of concessions to various categories of young states depending on their degree of willingness to comply with the demand for a display of "solidarity" with the United States in the resolution of American economic problems. "Development," Young stressed in this connection, "is a shared responsibility." The gradual approach, with which Washington representatives officially justified the differing developmental levels in separate groups of Asian, African and Latin American countries, has actually been used as a means of exacerbating their internal conflicts. Finally, special emphasis was placed on the comprehensive limitation of UNCTAD negotiating authority for the purpose of passing a number of pressing problems (international currency reform, protectionism and others) on to other organizations (the IMF and the GATT), in which the West still feels in control of the situation.

On the organizational level, American diplomacy was energetically seeking support for its position in the Organization for Economic Cooperation and Development, which unites the Western states. In particular, it was able to win many key Western speaker (leading representative) positions in the discussion groups for members of the U.S. delegation. At the same time, tremendous scientific forces and corporate lobbies were mobilized. The former compiled studies to be used during the course of negotiations as a counterbalance to UNCTAD Secretariat documents that would give the United States no advantages (for example, documents on raw material trade and on foreign debts). The latter organized counterdemonstrations in the Convention Center in an attempt to convince the delegates that certain decisions displeasing the United States (on shipping and the reform of the patent system) were "unfair." This was also the purpose of the Manila mission of H. Kissinger, who generously doled out "personal advice" to "save the session."

In the broad context, the U.S. delegation's aim was the same old desire to defend the "free play of market forces" in the world market and to establish more favorable conditions for the activities of American transnational corporations. In a more narrow context, the purpose here was to create the best possible external conditions for U.S. recovery from the economic crisis, even at the cost of endangering the developing countries and other nations.

For example, in the area of raw material trade, where the young states have demanded the conclusion of 18 interrelated international trade agreements for the purpose of stabilizing world raw material markets, the United States was still advocating an "itemized" approach to this stabilization. This actually signified a refusal to stabilize the particular raw material markets where prices are low. For this sector of international trade, the United States proposed, in place of the agreements, the organization of only the "exchange of information and consultations" between importers and exporters. Stabilization was proposed, on the contrary, in markets where raw material prices are rising; this measure was intended to stop this rise. In other words, this was still a matter of guaranteed deliveries of raw materials to the United States at lower prices, which would only benefit American importers. For this reason, the United States also had no comment to make about its total contribution to the first (stabilizing) "window" of the general fund for the financing of trade agreements and announced its refusal to contribute to the second "window," intended for the development of raw material processing in the location of production.

One of the central issues at the session was the need to counteract the growing wave of protectionism and monopolistic practices in the Western countries. Both of these impinge directly on exports of finished commodities from the developing countries to the Western markets. Again, the United States refused to accept any new initiatives, asserting that the problems of these countries in this area had supposedly already been solved at the last "Tokyo round" of GATT negotiations.[3] The issue of monopolistic practices, instead of being discussed, was essentially shelved until the time of a special UN conference planned for November 1979, but no preparations were made for the planning of practical countermeasures in this area.

In the last 3 years, many lances have been broken over the "code of behavior in the area of technology transmission." This document, the draft of which is already 80-percent complete, is supposed to normalize international technological exchange on the basis of fair and democratic principles, and the developing countries are therefore demanding that it be made legally binding. Only a mandatory code, with its provisions duplicated in the national legislation of the participating countries, can give the young states the legal right, as well as the moral and political right, to combat the abuses of international monopolies in this area and to use foreign technology for the needs of national industrial development. The U.S. delegation in Manila, however, actually issued an ultimatum by declaring that it had no desire to discuss the draft of the code until such time as the demand for its binding force be withdrawn. But this would mean the adoption of a purely optional document, on the basis of which the governments of the capitalist states, having no effective means of controlling and regulating the operations of their own monopolies, could only "advise" them to adhere to a specific course in the transmission of technology.

Besides this, the demands of the developing countries for expanded assistance through government channels in their economic development were answered with an invitation to make broader and more frequent use of loans in the U.S. private money market. Measures involving expanded cooperation between the developing countries themselves, however, which could reduce their excessive dependence on Western markets, were described by the American side as "separatist" projects contrary to the spirit of UN universality. It was only on the last night before the close of the conference that the American delegation agreed to support this resolution. The West also made several stipulations in regard to the program of special privileges for the least developed countries; for example, the United States agreed to cancel their debts by the sum of only 19 million dollars while the total indebtedness of this group of countries amounts to 8.9 billion dollars.

According to UN tradition, a country is not obligated to comply with a resolution that it has voted against, even if the resolution is ultimately adopted by a majority vote. In the world of diplomacy, however, this type of action is regarded as a challenge to the majority of nations and an admission by the given country of its inability to set forth other and more convincing arguments to substantiate its own views. From this standpoint, the U.S. delegation probably "set a record" at the session. In fact, it voted against 6 of the 32 resolutions that were approved, and abstained from the vote on another 3. In this way, the United States openly opposed the absolute majority of UNCTAD members in approximately one out of every three cases.

For example, the U.S. delegation was obviously in the minority in the voting on the resolutions on the principles governing the economic development of the ocean floor, on assistance to the national liberation movements, on the provision of developing countries with favorable conditions for participation in shipping, on an increase in the compensation for the declining export revenues of these countries, on the need to continue currency reform with consideration for the interests of all groups of nations and on the struggle against monopolistic practices in the public service sphere. Given this negative tactic, it is not surprising that the American representatives were not always able to gain support even from the other Western countries. Whereas the delegations from the FRG, Japan, England and Switzerland generally took the same stand, Holland, Sweden, Finland, Spain, Australia, Turkey and others quite clearly dissociated themselves from the U.S. position on some matters. As for the developing countries, they interpreted, for example, A. Young's statement as nothing other than an attempt to "confuse" the delegates and divert the conference from the planned agenda.

At the same time, there were several factors that objectively played into the hands of the United States. The session coincided with OPEC's latest increase in world oil prices, which aroused a new wave of indignation in many Western countries and simultaneously considerably dissembled the ranks of the developing countries themselves. Even when the Arusha Declaration was being discussed, a substantial conformist stratum acquired definite outlines (the majority of Latin American and Middle Eastern countries, Thailand, the Philippines, Zaire and Malawi). This group advocated the issuance of only "practicable" demands to the West and was therefore only formally party to the Arusha document. In Manila, an undisguised conflict erupted between OPEC members and the oil-importing developing countries, and this conflict put an end to their joint action at the session for at least 10 days. Besides this, some countries, particularly the region south of the Sahara in Africa, were making and defending insufficiently prepared proposals. The UNCTAD Secretariat earmarked an excessively broad variety of topics for discussion at the session. Too much time was allotted to arguments over the creation of new international economic agencies, although the main objective now consists in enhancing the effectiveness of existing agencies without straining the UN budget. Finally, some of the developing countries made absolutely unsubstantiated demands on the socialist states.

Given these circumstances, the Western delegations, particularly the American, were able to partially muffle the criticism of their own nations, dilute the content of some resolutions to the consistency they found acceptable and prevent the drafts of some resolutions from being put to a vote. It was precisely this local, essentially tactical gain, however, that ultimately led to a situation in which the UNCTAD session was unable to adopt any decisions on several major issues. Besides this, even the alignment of forces described above, which was so peculiar and so atypical for a UNCTAD session, the United States, as noted above, suffered several perceptible defeats in the balloting. Finally, the problems that were "buried" by the West have not disappeared, and the developing countries have decided to consolidate their efforts once again for another struggle for their resolution at a special UN session to be held in 1980 for the compilation of a program for the third decade of development.

All of this is certainly no indication that the U.S. Government's policy in the area of international trade and development, which has been slightly renovated in form but is still essentially looking backward, is either promising or effective. The 4 weeks in Manila did not mark an end to this problem, but only a foretaste of the trials that lie ahead for American policy in the UN, which is ignoring the realities of the present day.

FOOTNOTES

1. In 1976, the United States was already importing around half of all the oil it used, 75 percent of the tin, 88 percent of the bauxites, 94 percent of the cobalt, approximately 90 percent of the chromium and

almost all of the manganese from the developing countries. In turn, these markets were the destination of 36 percent of all American chemical exports, 44 percent of the export goods of heavy machine building, 45 percent of the steel and electrical equipment, 48 percent of the aircraft, 50 percent of the cotton, 54 percent of the military equipment, 60 percent of the tobacco, 65 percent of the wheat, 69 percent of the rice and so forth. The markets in the developing countries now absorb more American finished commodities than Western Europe and Japan combined, and the balance of U.S. trade in industrial commodities and services with these countries averages out to a positive figure of 28 billion dollars a year. This amount covers more then half the cost of American oil imports.

2. For more about this theory, see the article by A. V. Nikiforov, "'Interdependence' and Global Problems," in No 7 for 1979.

3. In their final stage, these negotiations essentially boiled down to a U.S.-EEC-Japanese deal, and their results did not reflect the interests of the developing countries. For this reason, the preliminary agreement has only been initialled by six of the developing countries to date, and at UNCTAD-V all of them published a collective declaration demanding the continuation of negotiations on their problems and, if necessary, the transfer of negotiations from the GATT framework to a more objective forum, such as UNCTAD, for example. For a detailed discussion of the "Tokyo-round," see the article by A. A. Smirnova, "The 'Tokyo-Round' and the United States," in No 8 for 1979.

8588
CSO: 1803

INTERNATIONAL ASPECTS OF THE 'NEW INFORMATION TECHNOLOGY'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 70-76

[Article by G. B. Kochetkov]

[Text] In recent years, politicians and economists in the United States and the other developed capitalist countries have paid increasing attention to international problems arising in connection with the widespread use of the "new information technology." The United Nations and UNESCO, the Council of Europe and the Organization for Economic Cooperation and Development have set up special task forces to study these questions and have held representative conferences and symposiums to discuss various aspects of data collection and transmission. For example, these questions were raised in the UNESCO General Assembly (1978), at an international conference entitled "Regulating the Flow of Information: The Realities of Europe and the Third World" (New York, 1978), etc.

The very term "new information technology" came into being in the United States at the end of the 1960's, when two lines of technological development that had existed separately until that time--communications and electronic computer equipment--merged into a single field, taking in all forms, methods and means of data collection, transmission, processing and storage. The computer networks that arose on this basis, uniting a multitude of territorially separate computers in a single complex, and the new types of communication intended for the direct transmission of data between computers, quickly crossed national boundaries and became global factors with a significant effect on international economics and politics.

This global nature is a distinctive feature of the "new information technology." Under present conditions, no one nation, even the United States, is able to conduct national policy in the information field without taking external factors into account. The technological revolution has created the prerequisite for the integration of information processes and has increased the interdependence of countries in this area. Many transnational companies have already created information and computer systems, with the aid of which they gather information about economic and sociopolitical conditions in various countries, data on clients and suppliers, personnel data and so forth. Systems of this type have been acquired, for example, by IBM, IT&T, General Motors, General Electric, Coca-Cola and many other companies. In particular, it is precisely the "new information technology" that has been given the credit for the transnational corporations' ability to effectively manage their branches all over the world. Besides this, American firms initiated the creation of an international system of information and computer services with the aid of global computer networks, taking in all of the main commercial centers in the capitalist world and many developing countries. The largest systems of this type--"Mark-III" (General Electric), "Cybernet" (Control Data), "Timnet" (Timeshare) and others--have extended their influence to North and South America, Western Europe, Australia and Japan. Economic indicators of information exchange are rising rapidly. For example, Canada imported information and computer services worth 350 million dollars in 1978. The figure is expected to rise to 1.5 billion by 1985.

One of the most pressing problems now is the regulation of the exchange of economic, scientific, technical, organizational and administrative information. The extension of international ties and the activities of transnational corporations are creating the objective conditions for increasing the flow of data crossing national boundaries. At the same time, however, if information enters the computer network, it becomes virtually impossible to keep track of its future users and the purposes for which it is used. Without any kind of government control, data regarded as confidential can be "exported" and "imported." In connection with this, problems connected with national sovereignty, economics and politics arise, since the uncontrolled transmission of data abroad can considerably endanger the first, the second and the third.

The government of any nation with most of its economic information processed abroad loses its regulatory capacity, since it does not have free access to the necessary economic data without special bilateral or multilateral agreements preventing the distortion of data and guaranteeing their preservation and the timely filling of requests. Distortions of this kind, however, can occur without any malicious intent on the part of the organization owning the system of data transmission, since it is known that most of the so-called "computer errors" occur as a result of the carelessness of computer center employees. The government of Canada may find itself in such a position in the near future. Some branches of its economy (insurance, banking and credit) make extensive use of possibilities for the processing of their business data in American computer centers. As for the possibility of purely economic negative consequences of increased exports of computer services, in addition to the "informational dependence" of the importer countries, these consequences could also take the form of slower growth rates in the industrial branches of the latter that are connected with the development of national computer potential, a reduced level of employment in the information sector of the economy and a reduction in the proportion of the gross national product derived from this sector. And this, according to bourgeois economists and ideologists of the "post-industrial society," in which most of the GNP is expected to be derived from the information sector, will have a negative effect on the development of the importer countries.

Finally, many European countries have passed laws stipulating the sequence and procedure of data collection, storage, processing and utilization for automated filing systems. Despite the fact that the main Western European countries have a common view on this matter, the laws that have been passed differ from one another and must be coordinated if the exchange of information on private individuals is to become possible.

These, as well as several other, more minor problems have created increasing friction in this field between the United States and its Western European partners, Japan and Canada. The United States is far ahead of the other capitalist countries in the creation of computer networks and new types of communications and is striving, above all, to retain its dominant position and, secondly, to gain political and economic advantages from this.

The rest of the developed capitalist countries, however, are becoming increasingly aware of the possible consequences of American domination of the sphere of information services. Questions connected with the sociopolitical and economic consequences of this situation and with the need to conduct an independent national information policy are being raised with increasing frequency in Japan, Canada and the leading countries of Western Europe. An example of this was provided by Japan, which worked out a long-range plan for the development of its own information resources in the early 1970's. In 1978 the French Budget Ministry prepared a detailed report on the effects of information technology on the economic and sociopolitical development of the nation. The problems arising in connection with this are examined by the authors of the report in the context of the increasingly acute general crisis in bourgeois society. In their opinion, "computerization" should become one of the central factors alleviating the problems connected with industrialization and urbanization. The authors of the report call upon the French Government to take all possible legislative measures to protect the national data processing industry and establish more favorable conditions for French firms.

A similar stand has been taken by almost all Western European countries. Many of them have already passed laws regulating the internal flow of data and informational exchange with other countries. The pioneer was Sweden, where this kind of law was passed in 1973. Sweden was followed by the FRG (1977), France, Norway, Denmark and Austria (1978). Belgium and Luxemburg are expected to do the same in 1979.

The Council of Europe has taken on the function of coordinating and standardizing national legislation in the information field. Since the mid-1970's, it has been working intensively on an international convention, which would ensure, on the one hand, the sovereignty of all participating countries and, on the other, the free exchange of necessary data. In 1974, the council's committee of ministers approved a resolution setting forth the principles governing the regulation of information processes. A draft acceptable to all participants is expected to be drawn up in 1980.

The heightened activity of the Europeans was naturally noticed in the United States. The first to sound the alarm were American transnational corporations whose operations depended directly on international information ties. The "information curtain" policy, however, that is being conducted by France, Norway, Sweden and Austria will affect the interests of all transnational corporations, and not only American ones, since they conduct operations in various countries but gather and process economic and administrative information centrally, in corporate headquarters. In accordance with the laws passed in these countries, each company must obtain special permission to exchange information with its branches, suppliers or clients abroad. The government establishes firm control over information transmitted abroad and the transnational corporations feel that this could disrupt the normal functioning of international business ties. Precedents of this kind already exist. For example, a Swedish data inspection council took away the Siemens Corporation's permit to transmit data on the Swedish employees of company branches in this nation to headquarters in the FRG. The same council prohibited the American READER'S DIGEST magazine from sending information to its U.S. editors on 3.5 million potential subscribers for the compilation of mailing lists. The attempts to limit international data flows indisputably have underlying political motives and nations have made no secret of the fact that they are striving to guarantee better conditions for their own firms with the aid of these measures. The steps taken by the European countries "resemble the protectionist measures of the initial stages of international trade," said one of the organizers of an international convention in Vienna (in 1977). "They can not only create difficulties in the transmission of data between nations with data protection legislation, but might also affect countries without legislation of this kind."

To date, there have been few cases of direct interference in the affairs of international corporations and, for this reason, it would be difficult to make any valid long-range predictions in regard to coming "information battles." Even now, however, there is an obvious clash between the interests of the United States and those of the majority of Western European countries: The United States favors the extension of the rules of "free trade" to the information sphere, but the European countries are adhering to a protectionist position. This major difference, which has arisen from scientific, technical, economic and sociopolitical conditions on both sides of the Atlantic, leads, in turn, to different approaches to the resolution of information problems.

The United States emphasizes the protection of citizens and, more importantly, corporations against government "abuses." For example, a law passed in 1974 to ensure the privacy of the individual restricts the possibilities of government agencies and other bodies to collect data on citizens without informing them of the kind of information that is being collected and the purpose of this action. In recent years, the U.S. Congress and state legislative assemblies have adopted numerous statutes to regulate the flow of information. All of them, however, have been extremely specific, dealing only with isolated, thoroughly defined cases. This procedure--that is, the gradual and sequential extension of the sphere of regulation--has become a basic principle in the resolution of information problems in the United States. It makes it possible to postpone any general resolution of a particular problem as long as necessary.

In Western Europe, on the contrary, legislators have attempted to strengthen government regulation in this field. In the countries that have passed these laws, new government agencies have been created to oversee the use of information resources: They determine the type of information that can be collected, stored and transmitted with the aid of various types of systems, and the terms of this transmission. Sizable fines and other punitive measures are imposed for the nonobservance of these laws. For example a law passed in France makes the registration of all personnel data banks mandatory. The failure to register is punishable by imprisonment for up to 5 years and (or) a fine of up to 400,000 dollars.

In some nations, attempts have been made to establish information control over the activities of corporations through the extension of these laws to so-called "legal persons"--that is, all organizations and corporations. This line has been conducted most decisively in France, where the initial draft of the information law included a point in regard to the mandatory registration of corporate data banks. Big business, under the leadership of the French branch of IBM, organized a powerful lobby against the planned measures on the grounds that this step would violate the secrecy of commercial operations, which would allegedly harm the economy of the nation as a whole. As a result, the point concerning "legal persons" was deleted from the final text of the law. In Norway, Denmark and Austria, however, information laws still extended to "legal persons" with the provision that the law would only apply to small businesses, in which commercial information would be equivalent to information about the individual owner of the firm.

International companies, especially American ones, are taking increasingly energetic measures to ward off the dangerous tendencies of increased "information protectionism," which have been noticed in Europe. Their interest in this is due to several factors. Above all, they fear an increase in expenditures on the maintenance of data banks and less flexibility in the manipulation of their own resources. But the transnational corporations are even more afraid that precedents will be set for the developing countries, which are beginning to use the achievements of the "new information technology" more and more. Finally, the transnational corporations regard these laws as an initial attempt to establish control over their activities. According to the administrators of these corporations, all possible infringements on the freedom of their action must be nipped in the bud, and the American monopolies are taking every opportunity to prevent the institution of effective measures to regulate the flow of information.

In turn, the U.S. Government is taking steps to postpone the conclusion of an international convention on this matter within the framework of the Council of Europe. The United States believes that the adoption of this convention in Europe could lead to the formation of an information pool, within which data will be freely exchanged, and that the United States will not be party to this exchange. For this reason, the Americans have been more active in the OECD to counteract the steps of the Council of Europe. As State Department official M. Crawford once said, the United States is exerting pressure on individuals within the OECD framework who are preparing recommendations in regard to the regulation of data transmission. The United States is thereby pursuing the goal of preventing the making of any kind of effective decisions aimed at the establishment of international legal norms to regulate the flow of data. Instead of this, the Americans have proposed that all nations display self-control in this field.

At the same time, attempts are being made to divert the attention of the sides involved in the debates over international aspects of the "new information technology" to the broader problems connected with the reorganization of scientific, technical, economic and commercial ties between nations. For example, OECD experts stress that the development of international data exchange and the creation of international computer networks are now being accomplished haphazardly. In most cases, these networks duplicate one another and are fiercely competing with one another for clients and for new markets for information services.

There are two different avenues of long-term development in this branch. The first involves the creation of networks regulated by national laws, but in the international arena all networks must satisfy certain minimum standards stipulated in multilateral conventions, agreements and so forth. The policy of the European countries is leading in this direction. The group of international agreements regulating maritime transport operations corresponds to this line. The second line of development consists in the total realization of the potential of international computer networks, which will necessitate the coordination of their operations. This can be accomplished by means of a system of international standards and the standardization of scientific, technical and economic policy.

American experts tend to prefer the second avenue. They have also set forth the idea of the "freedom of information," in accordance with which all data should be divided into two categories: purely commercial information and general reference data. In the first case, the "confidentiality of correspondence" must be strictly guarded, the preservation of data must be guaranteed and access to the information must be limited. In the second case, on the contrary, all organizations and individuals should be able to obtain the information they require without any kind of restrictions based on economic, political or any other motives. Otherwise, the international networks will supposedly lead to the even greater polarization of forces in the world and widen the gap between the developed and developing countries.

To guarantee the freedom of international data exchange, it will be extremely important to solve economic problems connected with the differences between national strategies of technological progress. Some nations, including the United States, accomplish the initial attraction of capital into new branches, such as, for example, the field of electronic computer services, by conducting a policy favoring the activities of monopolies and permitting them to set higher fees for their services, which accelerates amortization and, consequently, increases profits. Later, the government takes these branches under its own control and the cost of services is legislatively decreased to an acceptable level. This policy speeds up technological progress, but it intensifies the financial differences between client firms.

In other countries, the government establishes control over new branches from the very beginning and imposes limits on service rates. In this case, the assimilation of new types of technology takes longer, but the process itself is of a more democratic nature. No thorough studies have been conducted as yet for the purpose of comparing these strategies. Over the short range, however, the difference in approaches has led to the charging of different rates for the same services within a single country. The American firms, which practice the strategy of accelerated amortization, are frequently in an inconvenient position.

One example of the differences arising on this basis can be seen in the "information war" that broke out between the United States and its Western European partners over the laying of trans-Atlantic cables. The problem first arose in 1976, when the Federal Communications Commission decided against U.S. participation in the laying of the sixth trans-Atlantic cable (project TAT-6). According to the commission's calculations, it would have been economically more expedient to transmit the same amount of information through a satellite system. The European countries belonging to the Universal Postal Union, however, accused the commission of making this decision without taking conditions in Europe into account and of endangering the development of communications systems on the continent, and announced that U.S. refusal to reconsider its position would provoke a boycott. Nonetheless, the project was completed.

The next round of the "information war" took place in 1978, in connection with the TAT-7 project. The Federal Commission calculated that the operation of the new cable would cost American users 37 million dollars more than satellite communications. The European organizations calculated, on the other hand, that TAT-7 would cost inhabitants of the continent 21 million dollars less than INTELSAT-V. For this reason, the establishment of economically sound rates is becoming one of the main problems, from the U.S. standpoint, involved in the expansion of international information exchange.

Problems connected with international standards in the fields of information technology are equally pressing at the present time. Standards of this kind have already been worked out for commercial data transmission systems. The initiators were the international telephone and telegraph companies that now transmit most data through their communications channels. Technological progress, however, is allowing information companies to penetrate the sphere of television, where three independent color broadcasting systems still exist. England, France and Canada, for example, already have all-purpose information systems using only slightly modified standard television sets. Subscribers can obtain answers to their requests directly on their television screens. The internationalization of these systems is now on the agenda, but the existence of different television systems could be an insurmountable obstacle.

Therefore, the United States, which is definitely ahead in the development and organization of the use of the "new information technology," is striving to derive certain advantages from this, but its attempts are being frustrated by the developed capitalist countries' policy of legislative regulation of information processes. In order to avoid the unfavorable consequences connected with the conclusion of an international convention on these matters, the United States is making every effort to divert the attention of its European partners from political to economic and technological problems, the resolution of which should, according to the calculations of American economists and politicians, lead to the establishment of a new structure of international relations, in which the United States will occupy the dominant position.

These conflicts between the United States and the other developed capitalist countries provide a graphic illustration of the way in which the technological revolution is intensifying the unevenness of development in individual countries, exacerbating the contradictions inherent in capitalism and creating new spheres for their manifestation.

8588
CSO: 1803

JOE HILL--BARD OF LABOR AND FREEDOM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 76-80

[Article by M. I. Lapitskiy]

[Not translated by JPRS]

CSO: 1803

WHAT HAS HAPPENED TO THE 'NEW JOURNALISM'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 80-84

[Article by A. S. Mulyarchik]

[Text] Just recently, 5-7 years ago, there was no more popular or fashionable topic in American journalistic and literary circles than the possibilities and prospects of the so-called "new journalism." This term was coined by former NEW YORK HERALD TRIBUNE correspondent and columnist Tom Wolfe, who is sometimes confused, even in America, with the famous novelist of the two decades between wars, Thomas Wolfe, the author of the novels "Look Homeward Angel" and "You Can't Go Home Again," which have been translated into Russian.

Throughout his short life, Thomas Wolfe (1900-1938) wrote novels--or, more precisely, one endless book, which exemplified the epic scope and interpretation of events of great historical importance. His namesake who is our contemporary decided to do the direct opposite--namely, to repudiate the novel genre and fiction in general in favor of the concrete factological or journalistic approach. His ideas about this are set forth most fully in the anthology "The New Journalism" (1973), in which Wolfe's lengthy introduction is illustrated by the most characteristic, in his opinion, examples of the "new narrative style."

"Fiction, which is based on imaginary events, is pale in comparison to reality"--this is the most common point of reference of each of the approximately 15 authors represented in the anthology. It is true that the events of American life in the late 1960's and early 1970's stunned the imagination and begged to be written down in the most primitive form, with no literary embellishments. The assassinations of political figures, the upsurge in mass opposition movements, including neofeminism and the "youth rebellion," the rapid changes in the public mentality and morals and the development of countless "subcultures"--all of these events were the subjects of reports, "instant snapshots" and "exposes" penned by Jimmy Breslin and Gay Talese, Hunter Thompson and Joan Didion. Despite the great range of creative individuality in these "life studies," there were many features in common in the style: For example, the first-person narrative and "nonlinear" composition--that is, one that did not follow in chronological sequence--prevailed. The main role was assigned to the document and to the fact, but elements of fiction were also admitted: Dialog was used extensively, circumstances and locations were described in detail and attempts were made at the character development of main protagonists.

A special contribution to the establishment of the school of "new journalism" was made by some prominent American writers, particularly Truman Capote, Norman Mailer and James Baldwin. Capote's book "In Cold Blood" ("Obyknovennoye Ubiystvo" [An Ordinary Murder] in the Russian translation), which told the story of a monstrously brutal crime committed in the American Midwest, was described as a "non-fiction novel" by the author himself. "History as a novel, the novel as history"--this is how M. Mailer described the genre of his famous journalistic account, "The Armies of the Night," about the anti-war demonstration in front of the Pentagon in October 1967. Throughout the 1960's and early 1970's, prominent black novelist J. Baldwin returned again and again to the documentary style. His cycle of journalistic works, from the collection "The Fire Next Time" (1963) to "No Name in the Street" (1972), represented a kind of angry-lyrical journal, reflecting the important stages of the black Americans' struggle for civil and economic rights.

Although famous American writers have paid homage to the universal appeal of documentary prose and have even contributed to Tom Wolfe's anthology and other collections of this kind, they have never completely associated their own literary ambitions with the literary process regulated by the theoretical schemes of the "new journalism." Even Mailer, who has remained true to the non-fiction approach for more than 10 years now, strives to broaden the limits of his chosen genre in each new book. Mailer's latest works are totally devoid of any of the "new journalism's" stylistic features. These include a review of American television programs written for HARPERS, the foreword to an anthology of selected works by Henry Miller and, finally, the novel "A Transit to Narcissus," a work which was written in Mailer's youth and remained in manuscript form for many years.

Mailer's evolution in recent years has indisputably been marked by features of a personal crisis, but it has also reflected the common fate of the documentary genre, which was so persistently associated at one time exclusively with the "new journalism." The backlash of literary taste aroused a reaction, and critical voices were clearly heard soon after the publication of the anthology edited by Wolfe. This position was particularly eloquently set forth by Kurt Vonnegut in a foreword to a collection of his own journalistic articles and speeches, dated 1974. "It is possible that I myself am associated with this fad," Vonnegut said, referring to his coverage of the civil war in Nigeria and the Republican Party convention, and went on to say: "Yes, I paid it considerable tribute, but now I am more convinced than ever that absolute fiction conveys the truth much more accurately than the new journalism.... Journalism does not have as much freedom of expression as artistic literature. There are many places it cannot take the reader, while the novelist can even go to the planet of Jupiter, provided, naturally, that he finds something of interest there." Vonnegut concluded his tirade by stating, "in short, literature is melody, while journalism--old or new--is noise."

The harsh tone of the concluding remark of this writer, who has always been famous for his unrestrained flights of fantasy, was largely dictated by purely polemical considerations. Later events showed, however, that the dogmatic "new journalism" gradually began to lose even its most loyal adherents. These included even Jimmy Breslin, who had long been regarded as a talented writer in the journalistic tradition dating back to R. Lardner and E. Hemingway. His coverage of the war in Vietnam, in which he invariably criticized official policy, met almost all the requirements of the theoreticians of the "new journalism": It was emotional, it abounded with factual details and it stressed the "viewpoint" of a particular character rather than the narrator. In the early 1970's, however, Breslin's attitudes were already undergoing a reversal, and his "documentary compositions" ("The Gang That Couldn't Shoot Straight" and "World Without End, Amen") quite definitely began to resemble the novel genre. In his latest book ".44" (co-authored by Dick Schaap, 1978), Breslin persistently emphasizes his present thirst for a "higher form of truth." "This is a novel," the author of ".44" repeats several times in the preface to the book. "It is based on historical fact, but it does not have the literal accuracy of history.... This is a novel, and although it avoids factual precision, we hope that it speaks the truth."

Another characteristic example can be seen in the literary career of Joan Didion, who has been called one of the most interesting "discoverers" of the current decade by American critics. In her journalistic activity, Didion "specialized" in biographies of famous contemporary Americans, primarily Californians, such as, for example, actor John Wayne or "reclusive millionaire" Howard Hughes. Didion made her move away from journalism and toward fiction in the novel "Play It as It Lays" (1970), in which burning ethical issues connected with the "youth rebellion," which had then reached its boiling point, were raised against a quite confined and local background. In her next novel, "A Book of Common Prayer" (1977), Didion went even further by attempting to combine the "youth theme" she already knew so well with an examination of the equally complex sociopolitical and philosophical clashes of our day.

Therefore, by the end of the 1970's the "new journalism" had largely lost its former aura of novelty and had been abandoned by many of its devoted followers. The short existence of this unique phenomenon, however, did not leave American literature unmarked. Its significance consisted primarily in the fact that it attracted the attention of American writers to historical facts as an important structural foundation for the work of fiction. "There is no longer any need to distinguish between literature based on imagination and documented fact.... We must create a prose that takes in the characteristics of both styles"--this pledge was recently made by E. L. Doctorow, whose novel "Ragtime" was published last year in INOSTRANNAYA LITERATURA.

The reform of the historical novel genre, which was initiated in "Ragtime," might take other forms, but in any case the demand for fidelity to historical fact has been made a compulsory criterion. One of the variations on this approach was the narrative style that imitated a historical document. It is interesting that in 1947, when Thornton Wilder published his "Ides of March," based on an expert reproduction of the epistolary style of the time of Cicero and Julius Cesar, his work was unique and was not immediately immitated. Exactly 20 years later, William Styron's novel "The Confessions of Nat Turner" was published and aroused lively argument, during the course of which one of the main issues concerned the relationship between the artistic form of the work and its content. In this novel, Styron's narrative immitated the language and train of thought of the actual "memoirs" of Nat Turner, the leader of the greatest slave rebellion in America--naturally, with some "adjustments" to fit the outstanding descriptive talents of the American novelist.

Another example of skillfull stylization which coincided with the flourishing of the "new journalism" was Gore Vidal's novel "Burr" (1973). In his literary criticism and journalistic articles, Vidal has been able to make use of some recommendations derived from the theories of Tom Wolfe and the journalism of Mailer and Didion. As a novelist, however, he had always been quite original, and in "Burr" this originality appeared scandalous to many Americans, and even blasphemous to some. Vidal's novel is one of those hotly debated, "iconoclastic" books, of which there are not so many in American literature and in journalism. To go against established opinion, to reveal secrets and to give a new interpretation to the known, or even cannonized, version--this is an old tradition, dating back to the first critical realists and the "muckraking" journalists of the early 20th century.

In spite of the iconoclastic mood that is so typical of "Burr," the pathos of the book does not consist in nihilism or the cynical belief that "everything can be bought and sold." Focusing his attention on the negative traits of the founders of the American Republic, the author of the novel raises his voice in defense of the observance of democratic freedoms and tenets. The subject matter of "Burr" is quite close to the "Watergate episode" of contemporary U.S. history, but the novelist's ideas are immeasurably more profound than those expressed in the numerous journalistic reports and articles engendered by Watergate.

The Watergate period coincided with the next, and apparently the last, bursts of energy on the part of the "new journalism," which concentrated this time exclusively on the narrow sphere of the political intrigues and abuses that led to the fall of the Nixon Administration. The ideological intent of the "political novels" of W. Safire, J. Erlichmann and W. Halderman--once prominent figures in the Republican Administration--was overtly tendentious and pursued the goal of justifying numerous violations of democratic principles by means of references to "special circumstances" and considerations of internal security.

Robert Coover's book "The Public Burning" (1977), which also sprang from the bosom of the "new journalism," was written in a fundamentally different tone. Written, just as "Ragtime," in the genre of "fiction based on a historical theme," "The Public Burning" tells the story of many real individuals, and the main voice in the choir belongs to R. Nixon, vice-president of the United States in the 1950's and one of the chief perpetrators of the anticommunist hysteria of that time. In addition to these, however, other characters in the novel include, for instance, the collective character of Uncle Sam, who is involved in an endless and futile war against a phantom personifying everything that is not "really American." Uncle Sam is the leading character in a series of sketches based on fact, similar to the "newsreels" of Dos Passos. Like Dos Passos, Coover stresses the objective nature of history and the relationship between the appearance of "cads" and "criminals" on the scene and the effects of broad-scale social trends. But the epic objectivity of the author of the "42d Parallel" and "Big Money" is absent from "The Public Burning"; in contrast to Dos Passos, Coover is primarily a satirist and journalist with a lively response to the vital needs of the day. Just as any other satire, Coover's book, which was greeted enthusiastically by the U.S. Democratic press, does not pretend to reproduce the actual complexities of life, and contains a great deal of deliberate oversimplification and exaggeration. But the author must be given credit for his courage, his passionate language and his moral strength.

Coover's journalistic novel, which has once again stirred up memories of the martyred Rosenberg pair, who became the victims of McCarthyist spymania and anticommunist hysteria in the early 1950's, has noticeably strengthened the position of the progressive current in American literature and journalism, which is fighting against the tendentious interpretation of past and present events in American life. The autobiographical works of such prestigious women writers as Lillian Hellman ("Scoundrel Time," 1976)and Katherine Ann Porter ("The Never-Ending Wrong," 1977), have also helped to cleanse historical truth of the distortions resulting from decades of belligerant anticommunism. A unique means of presenting material from a definite democratic standpoint has also been noted in "Working: People Talk About What They Do All Day and How They Feel About What They Do" (1974), a collection of interviews with comments by Studs Terkel that has just been translated into Russian. By talking to representatives of the most diverse professions--a telephone operator, an actor, an electric welder, a teacher, a scavenger and dozens of others--this renowned journalist has painted a complete picture of the real America, in which the working public sometimes finds it difficult to declare its needs and demands.

Although all of these books have risen above the level of purely journalistic interpretation and summarization of basic "human data," they have not severed their connection with the facts of everyday life, but, rather, have found them to be virtually the major source of inspiration. The combination of artistic imagination with a heightened interest in "hard facts" is a characteristic feature of the American "literary situation" of the late 1970's, on which the now defunct school of "new journalism" left its distinct imprint.

8588
CSO: 1803

UNITED STATES CAPITAL IN THE ARAB COUNTRIES IN THE SEVENTIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 85-95

[Article by A. I. Osipov]

[Text] A characteristic feature of the current stage in the national liberation movement is broader struggle by the developing countries for the reorganization of the entire complex of economic relations with the imperialist states on the basis of equality and mutual advantage, and the move by young states toward the attainment of the major objective of independent development--economic independence. "Bourgeois newspapers," V. I. Lenin wrote, "...speak of national liberation..., while they ignore economic liberation. In fact, however, it is precisely the latter that is the most important."[1]

A leading role in this struggle is now being played by the Arab countries, which have, after long years of intensive effort, considerably weakened the positions of foreign, primarily American, oil capital--the main representative of neocolonialism in the Middle East. For example, whereas the United States controlled, on a concession basis, around 70 percent of all known oil reserves and production in the Arab world at the beginning of the 1970's, the situation changed dramatically in the second half of the decade. Backed up by the assistance and support of the Soviet Union and other socialist states, the Arab oil-producing countries annulled all of the unfair concession agreements forced on them during the era of colonial and semicolonial dependence. By means of the partial, and later total, nationalization and purchase of the property of foreign oil monopolies and increases in leasing fees, taxes and prices, they established national control over the extraction of their principal natural resources--petroleum.

Progressive socioeconomic changes in this region gave rise to a severe crisis in the existing forms of activity by U.S. capital in the Middle East and North Africa and forced it to protect its own interests by changing its strategy and tactics. The evolution of monopoly policy essentially consisted in a move from overt dictatorship to so-called cooperation with the Arab countries. Increasing emphasis is now being placed on convergence with bourgeois bureaucratic circles and the sharing of profits with these circles. This trend is due to the fact that, under the conditions of the upsurge of struggle by the Arab people for economic independence, participation by the Arab side is becoming increasingly desirable to American capital and will temporarily guarantee the protection of its interests against further restrictions.

Infiltrating the Middle East and North Africa in the disguise of "partners" and "assistants," the American companies have mainly wished to further their own greedy ambitions by taking advantage of the objective requirements of the Arab countries for modern technology, organizational and technical know how and qualified personnel to weaken government control over their activity and to obtain additional rights and privileges in the export of profits, the manipulation of currency transactions, the provision of their enterprises with raw materials, etc. The general strategic purpose of this monopoly policy, however, is to eventually undermine the independent development of the Arab countries, to establish monopoly control over the objective and natural process of industrialization in these countries, to direct this process into capitalist channels and to maintain and strengthen the Arab economy's ties with the world capitalist market. The assumption that there might be some other reason for this "cooperation," which can sometimes be found in the press of some Arab countries, is an assumption that American capital has stopped pursuing maximum profits and that its activity has lost its exploitative, neocolonialist nature.

Significance of the Region for the U.S. Economy

Economic ties with the Arab countries had always been of great significance to American monopolies and the U.S. economy, but this significance increased quite noticeably in the 1970's. This was largely due to the sharp increase in the proportion accounted for by Arab oil in U.S. energy supplies. For example, between 1972 and 1977, American imports of this fuel from states belonging to the Organization of Petroleum-Exporting Countries (OPEC) increased from 42.5 million tons to 156 million tons, or from 17.6 percent to 41.7 percent of total petroleum imports. According to the predictions of American economists, the United States will be importing approximately 600 million tons of petroleum and petroleum products by 1985, and half of this quantity will be exported by the Arab countries.[2]

This tendency is largely due to the fact that, despite the radical antimonopoly measures of the Arab countries, the extraction of their oil is still a rich source of profit for American capital. The profit dynamics can be judged from the following data (in millions of dollars): 1975--1,214, 1976--1,596, and 1977--1,549.[3] The high profit level of Arab oil extraction for American capital is primarily a result of the extremely low cost, in comparison to the U.S. cost, of exploiting oil deposits. For example, in 1975, average expenditures on the prospecting and preparations for the exploitation of oil and gas deposits were 4.32 dollars per barrel in the United States, and only 10 cents in the Arab countries.

American capital is also attracted to Arab oil by the high yield of deposits. In 1978 the average daily yield of a well in the United States was 2.3 tons of petroleum, while it was 1,200 tons, for example, in Saudi Arabia--that is, 522 times as great.

The high profitability of the use of Arab oil for American monopolies is also the result of several other factors. For example, the struggle of the Arab countries against dictatorship by American capital has virtually made no change in its dominant position on the "top floors" of the oil industry--the transport, refining and sale of petroleum. In 1978, for example, all of the OPEC countries accounted for only 3.5 percent of oil refining capacities in the capitalist world, and most of the oil and gas exported by these countries (around 90 percent) was transported by foreign shipping lines. In the same year, seven monopolies belonging to the international petroleum cartel controlled around 80 percent of the world capitalist trade in oil, thereby retaining a dominant position in the sale of the Arab countries' main export commodity.

As a result of nationalization, the Arab countries now manage over half (from 60 to 100 percent) of the extraction of their petroleum, and this is now performed, under their control and with their direct participation, by foreign companies. The inadequate development of their own refining capacities and sales network, however, forces them to sell their petroleum through the same companies, paying out commissions and offering price discounts that also provide the latter with sizable profits. In 1978, for example, more than 80 percent of the petroleum exported by the OPEC countries was sold by monopolies belonging to the cartel.[4] In this way, American capital is widely gathering the fruits of its previous colonialist policy by turning the Arab countries into exporters of crude oil and guaranteeing their dependence on imperialism.

Under these conditions, U.S. monopolies are striving to retain at least indirect control or simple access to deposits in the Middle East and North Africa. To this end, they are prepared to make, and do make, more or less significant concessions to the owners of the petroleum in the expectation of compensating for their losses in the exporting countries by raising the price of petroleum products. Besides this, control over the movement of petroleum "from the tanker to the gas pump" is of great political value to the United States, as it gives it a powerful means of exerting pressure on its ally-competitors--Western Europe and Japan, whose economies are operating mainly (70-90 percent) on Arab oil.

The significance of the Arab countries for the U.S. economy is not only limited to the petroleum sphere. In recent years, American capital has also been attracted by their considerably increased financial resources. The struggle of these countries against domination by foreign oil capital has not only led to the nationalization of its property, but also to higher rates for concession fees and higher oil prices. Between 1970 and 1978, for example, the income of the seven largest petroleum-exporting Arab countries (Saudi Arabia, Iraq, Libya, Kuwait, the United Arab Emirates, Algeria and Qatar) increased more than 17-fold--from 4.5 billion dollars to 78.4 billion.

This sharply increased the effective demand of the Arab countries for a broad range of commodities--from means of production to consumer goods. Moreover, in several countries (particularly in the Persian Gulf zone), "surplus" petrodollars were accumulated. Naturally, this "surplus" was of a conditional nature. In contrast to the imperialist states, where, as V. I. Lenin pointed out, capitalism has "overripened"[5] and capital often cannot find sufficiently profitable, from its standpoint, spheres of application, in the Arab countries the existence of "available" currency has not resulted from a high level of capital and production concentration and centralization, but, rather, the relative underdevelopment of the national economy, the credit and finance system and intraregional economic ties, which are insufficient to absorb this dramatically increased income.

The accumulation of sizable "petrodollar" resources by some Arab countries led to a flow of investments from these countries into foreign economies, particularly the American one. Between 1973 and 1977, around 29 billion dollars had been transferred from the Middle East to the United States.[6] The largest investor in this group was Saudi Arabia, whose overseas holdings increased, according to the estimates of the French magazine ECONOMISTE ARABE, from 78 million dollars to approximately 60 billion between 1969 and 1976, with up to two-thirds of this huge sum (35-40 billion) invested in the United States or connected with the Eurodollar market. According to data in the American press, Saudi Arabia invests 50 percent of its income in American securities (stocks and bonds) at interest of 7.5 percent per annum for a period of 25 years. Sizable investments have also been made by Kuwait, Qatar and the United Arab Emirates.

American capital has an interest in "recycling petrodollars"--that is, putting them back in the U.S. economy. The reason for this interest can be seen in the structure of Arab investments. For example, of the 32 billion dollars invested by the OPEC countries in the United States by 1977, 13.8 billion was invested in Treasury certificates, around 9 billion was deposited in American banks and 8 billion was used to purchase the stocks and bonds of American corporations.[7] Therefore, most of the capital investments are in the credit and finance sphere rather than the production field. To a significant degree, this is due to the refusal of U.S. Government agencies and monopolies to allow Arab capital into strategically important branches of the economy or to permit Arabs to acquire the controlling stock in American enterprises and firms.

Therefore, the "cooperation" between American and Arab capital has its own precisely defined limits. It actually boils down to the financing of the activities of American capital with the aid of "petrodollars." According to statistics on petrodollar investments in the United States, they are being used to reduce the deficit in the American balance of payments, which is primarily a consequence of huge military expenditures abroad, increased oil imports and the rising price of oil, and to finance the deficit in the U.S. federal budget (investments in government bonds). The total deficit in the U.S. balance of payments for short-term transactions with the OPEC countries, for example, which amounted to 36 billion dollars in 1974-1977, was more than covered by the total positive balance (38 billion dollars) in the movement of capital, which was mainly a result of investments of petrodollars in U.S. Government bonds.[8]

Investments of Arab petrodollars in the United States are also of considerable political significance for American capital. This is one of the important links keeping the Arab countries in the sphere of capitalist world economic ties and compelling the leaders of these countries to give some consideration in their policy to the interests of the United States (as well as other imperialist powers), where the petrodollars have been invested.

When we evaluate the financial advantages derived by the United States from economic ties with the Arab countries, we should note that during the 1973-1976 period alone, the United States was the recipient of an average of 11.5 billion dollars annually from the petroleum-exporting countries of the Middle East (including Iran). These receipts took the form of American oil company revenues and direct and portfolio investments by these countries in the United States. Moreover, this sum does not include income derived from the trade in patents and licenses, from "invisible exports" and so forth (see Table 1).

Table 1

Currency Entering United States from Middle Eastern Countries, in Millions of Dollars

	1974	1975	1976
Profits from sale of crude oil	8,420	2,336	2,997
Balance of trade	- 904	960	- 1,327
Capital entering U.S. money market	5,532	7,628	8,794
Total	13,048	10,924	10,464

MIDDLE EAST ECONOMIC DIGEST, SPECIAL REPORT, November 1977, p 14.

Therefore, we can conclude that, in spite of the reduction in profits from oil operations, the Middle Eastern countries still account for an extremely significant share of the U.S. balance of payments. For this reason, any statements alleging that the activity of American capital in this region has lost its exploitative, neocolonialist nature have no real basis.

Considering all of this, as well as the general growth of the economic potential and significance of the Arab countries in the world economy, it is quite understandable that U.S. state-monopolistic capital now has an even greater incentive to retain and strengthen its positions in the Middle East and North Africa. All of this is also forcing it to display "flexibility" and adapt to new conditions. This can be most clearly seen in the sphere of petroleum production. For example, whereas American companies once limited the participation of local capital in their activity and assign it the role of a mere junior partner, in recent years they themselves have had to serve more frequently as the junior partner, functioning under the supervision of a particular national government. This form of participation frequently becomes the U.S. monopolies' only possible means of retaining their influence and profits.

Production Sphere

American capital has responded quickly to political and sociopolitical changes in the Arab countries that are undesirable from its vantage point. The modification of its tactics and methods began as early as the second half of the 1960's and developed as the oil-producing states proceeded to attack its position. Adapting to new conditions, it often acts in accordance with the principle that "surrendering part prevents the loss of the whole."

The activities of American capital in Algeria provide ample illustration of this flexible tactic. In order to obtain access to the oil and gas deposits of this country, U.S. oil companies agreed to the Algerian Government's offer of fairly brutal terms of cooperation. These terms can be judged from agreements concluded in the late 1960's and early 1970's by the Getty Oil, Amoco and Sun Oil companies with the Algerian government-owned Sonatrach Company.

The American side agreed to transfer the controlling stock (51 percent) in jointly held companies to the Algerian firm and promised to conduct all exploratory prospecting work at its own expense. This promise is of special, fundamental significance, since foreign concessionaires previously gave little thought to the discovery of new deposits, preferring to exploit those that had already been discovered. Now, however, if oil is discovered in certain areas, the American side will own 49 percent and Sonatrach will own 51 percent, but the latter will also have to pay 51 percent of the cost of preparing the deposit for exploitation. Furthermore, the setting of prices and extraction volumes will be the exclusive prerogative of Sonatrach. American and other foreign oil companies are paying the Algerian Government leasing fees ("royalties") in the amount of 25 percent of the price of oil (f.o.b.) and an income tax in the amount of 85 percent of the price of oil (prepaid) after the deduction of overhead costs.

In addition to financing prospecting operations in Algeria, the American companies promised to buy their petroleum and gas directly from Sonatrach. They agreed to take part in supplying the developing oil and gas industry in Algeria with the latest equipment and technology. Between 1969 and 1976, several American firms (El Paso, Distrigas (Boston), Panhandle Eastern Pipeline and others) concluded the largest deals in Algerian history on the acquisition of liquified natural gas. As a result, shipments of Algerian gas to the United States in 1978, for example, amounted to 11.6 billion cubic meters, according to some data. As for Algerian oil, in 1977 the United States was already importing around half of the total output (22.4 million tons in comparison to the 1973 figure of 9.3 million)[9] and is now its largest importer.

American-Algerian contracts for the purchase of oil and gas require large capital investments in the Algerian oil and gas industry. For example, the long-range program for its development up to 2005 envisages investments of 33 billion dollars, and more than half of this sum is to come from abroad.[10] American capital, however, does not have enough internal sources of financing in Algeria to retain its access to this country on a "partnership" basis. For example, American and Western European private banks extended a total of 556 million dollars in credit to Algeria for the completion of a contract with El Paso, but an additional 157 million had to be obtained from the government Export-Import Bank of the United States.[11]

By extending credit, American capital is simultaneously striving to encourage U.S. firms to make use of these funds. It is actively using its leading position in the area of oil and gas extraction and refining technology, as well as its financial capabilities, surpassing those of its rivals, to equip large capital-intensive enterprises. As a result, the total value of Algerian-American contracts for goods and services amounted to more than 6 billion dollars by 1977.[12]

In other words, with the aid of such forms of activity as "partnerships" and contracts, American capital has retained access to the Algerian economy, although on a qualitatively different basis: The U.S. monopolies must now recognize the sovereign rights of this country and build up their relations with it on terms stipulated by the Algerian side.

It should be stressed, however, that oil and gas contracts, as well as others, with American companies could seriously endanger the Arab countries in several ways. These dangers were pointed out by General Secretary G. Hall of the Communist Party of the United States of America: "American imperialism is interested in oil and gas deposits, but this is not the interest of a mere consumer. It is striving to obtain a political and ideological base of operations for stealing these resources. Algeria's attempts to conclude more favorable agreements on the sale of its national resources are justified and should be supported by all anti-imperialist forces. But U.S. imperialism is hungry for more than oil and gas. Its intentions correspond to the desires of rightist, reactionary forces in Algeria. It also wishes to change the course of the Algerian revolution."[13]

The possible political and economic consequences of "partnership" with American capital are attested to by the following events in Egypt. In this country, U.S. oil companies (Amoco, Pan American and Phillips) also operated on the basis of a "partnership" with a state-controlled petroleum organization, which gave them an opportunity to retain their access to Egyptian oil even in the "difficult days" under President Nasser, when American-Egyptian relations were strained to the limit. As a result of this "cooperation," these firms were already extracting most of the petroleum in this country by the beginning of the 1970's.[14] The position of the oil monopolies served as a kind of trampolin for further expansion by American capital in the nation's economy and its redirection into the channels of the "open door" policy, which was instituted by the new Egyptian leadership after 1973 and which created the prerequisites for the broad-scale exploitation of Egyptian natural resources by foreign capital. For example, between 1973 and 1978, the Egyptian People's Assembly, approved 45 concession agreements with 30 Western companies, most of them American (Esso, Mobil Oil, Chevron and others).[15] These agreements essentially put Egyptian oil up for sale to foreign capital. In February 1978, M. Salim, then Egyptian prime minister, declared in this connection that virtually all of Egypt's territory had been leased to foreign companies, which would conduct prospecting work and exploit the deposits discovered.[16] After the Camp David deal in March 1979, the Egyptian regime went even further in the sale of the nation's petroleum resources by agreeing to supply Israel with oil.

Now that they have been forced to recognize the sovereign rights of the Arab countries and the legality of their control over monopoly activity, the American monopolies are agreeing to transfer part or all of their ownership rights over to these countries and are doing everything within their power to "stay by leaving" in an attempt to gain several important benefits and privileges. This motive underlying the "compliance" of American capital is attested to by the actions of the largest oil monopolies--Exxon, Standard Oil of California, Texaco and Mobil Oil--which established themselves almost half a century ago in the largest Arab oil-producing country--Saudi Arabia. As a result of lengthy negotiations, which lasted from 1974 to 1977, these monopolies, the owners of the largest oil company in the Middle East, Aramco, agree to transfer the ownership of this company to Saudi Arabia in exchange for the exclusive right to purchase oil at preferential prices from the national Saudi company. A special purchase quota was set for them, amounting to around 40 percent of the current total production output of the company, and compensation for the nationalization of this property was also set, at 1.5-2 billion dollars. Besides this, the American monopolies won the right to continue their technical supervision of production operations.

In this way, the maneuvers of the oil monopolies are allowing them to retain their access to Arab oil, although on a smaller scale than in the past.

Table 2

Dynamics and Structure of Direct U.S. Private Capital Investment in Near and Middle East

Year	Total, Millions of Dollars	Mining and Metallurgy		Petroleum Industry*		Processing Industry		Public Service Enterprises**		Trade		Other Branches	
		Millions of Dollars	% of Total	Millions of Dollars	% of Total	Millions of Dollars	% of Total	Millions of Dollars	% of Total	Millions of Dollars	% of Total	Millions of Dollars	% of Total
1950	692	10	1.4	666	96.2	1	0.1	2	0.3	3	0.4	11	1.6
1960	1,139	-	-	1,119	96.2	26	2.2	3	0.3	7	0.6	7	0.6
1965	1,536	2	0.1	1,436	93.5	44	2.9	4	0.3	13	0.8	36	2.3
1970	1,617	3	0.2	1,442	89.2	85	5.3	...	...	...	...	87	5.4
1971	1,657	3	0.2	1,465	88.4	92	5.6	...	...	...	...	98	5.9
1972	1,992	5	0.2	1,767	88.7	104	5.2	...	...	...	...	116	5.8
1973	2,682	5	0.2	2,377	88.5	130	4.8	...	...	...	...	170	6.3
1974	2,215	3	0.2	1,613	72.0	137	6	12	0.5	37	1.7	339 (75)***	15(3, 4)
1975	-4,040	5		-4,888		164		12		59		599 (99)***	
1976	-3,730	8		-4,812		189		15		73		798 (122)***	
1977	-3,083	9		-4,378		193		22		77		995 (153)***	

---

* Excluding petroleum refining.

** Transportation, communications, public utilities.

*** Figures in parenthesis stand for capital investments in banking and insurance.

**** Since 1977, the investments of oil companies in their Middle Eastern non-incorporated branches have been calculated in a different way in U.S. statistics, on the basis of net assets (total investments minus branch indebtedness). In connection with the sharp rise in the price of oil and the interest rate on oil payments ("royalties" and taxes), branch indebtedness has

[Continued next page]

Until the beginning of the 1970's, the business activity of U.S. private capital in the Arab countries was limited mainly to the petroleum industry. Under present conditions, American monopolies are actively infiltrating other branches of the economy as well. Between 1974 and 1977, for example, direct private U.S. capital investments in the Near and Middle East rose 200 percent in the mining and metallurgical industry, 41 percent in the processing industry, 108 percent in trade and 193 percent in other branches, including a 104-percent rise in investments in banking and insurance (see Table 2).

The increase in total direct investments has been accompanied by a rise in the number of economic facilities constructed by American firms on the basis of contracts. In the pursuit of petrodollars, American companies have agreed to participate in the design and construction of engineering facilities, enterprises of the oil and gas industry, machine building and the cement industry, residential buildings and hotels in the Arab countries. For example, according to the estimates of the English MIDDLE EAST ECONOMIC DIGEST, they annually receive building contracts worth 5-7 billion dollars here, as well as orders for design operations worth 3.5 billion.[17] In Saudi Arabia alone, American firms had been contracted to carry out more than 250 projects at a total cost of 25 billion dollars by the beginning of 1978. The largest of these projects include the economic development of the Jubail region (9 billion), the construction of a new airport in Riyadh (4 billion) and an electrification program (3 billion).[18] By the middle of 1978, 184 American companies were already operating in Saudi Arabia.

The construction of hotels and highways, the development of television and communications systems and the establishment of other elements of the infrastructure now constitute a broad sphere of activity for American capital.

The increase in the number of contracts concluded in the Arab countries has been accompanied by an increase in the revenues of American construction firms. Between 1973 and 1976 alone, they increased 1.7-fold, rising to almost 100 million dollars.

There is no question that the industrial construction that is being carried out in the Arab countries with the aid of American monopolies will increase employment in this region and enhance its economic potential. But the

---

increased dramatically. Besides this, a considerable share of the income from product sales is transferred to the United States and is not included in branch assets. Consideration is now also being given to the compensation paid by the Arab countries for the nationalized property of oil companies, which is increasing the balance value of U.S. investments in the region. As a result of all these changes, American direct investments in the oil industry of the Near and Middle East and all other investments have been expressed in a negative figure since 1975. This disguises the actual scales of American capital investments by artificially diminishing their size.

Calculated according to: "Survey of Current Business," 1961-1978.

attainment of the chief goal of economic development--the establishment of an independent economic complex--is not only no closer, but, in the author's opinion, is further away than ever before. The economic facilities established with the participation of foreign capital connect the developing country by thousands of economic and social ties with the capitalist economy and the world capitalist market. These ties are much stronger than commercial contacts and cannot easily be severed by means of administrative actions on the part of a particular government.

Foreign Trade

Commercial expansion is one of the major means by which American capital is preserving its influence and profits in the Arab world. The United States is striving to make maximum use of commercial ties as a channel for pumping petrodollars out of the Arab countries and as a means of compensating for losses in the sphere of petroleum production and reducing its sizable negative balance in the American-Arab trade in petroleum, which has existed since 1974 (see Table 3).

Table 3

American Foreign Trade with Arab Countries

Year	Total U.S. Exports, Millions of Dollars	Exports to Arab countries		Total U.S. Imports, Millions of Dollars	Imports from Arab countries		Balance of American-Arab trade, Millions of Dollars
		Total, Millions of dollars	%		Total, Millions of dollars	%	
1970	43,224	826	1.9	42,429	256	0.6	+ 570
1971	44,130	948	2.1	48,342	405	0.8	+ 543
1972	49,758	1,184	2.4	58,862	643	1.1	+ 541
1973	71,339	1,796	2.5	73,575	1,347	1.8	+ 449
1974	98,507	3,422	3.5	107,996	3,728	3.5	- 306
1975	107,652	5,462	5.1	103,414	6,848	6.6	-1,386
1976	113,750	6,970	6.1	127,997	12,700	9.9	-5,730
1977*	119,042	8,151	6.8	156,758	16,533	10.5	-8,382
1978*	141,154	9,379	6.6	182,787	15,660	8.6	-6,281

---

* Excluding Somalia and Mauritania.

Calculated according to: MIDDLE EAST, August 1977, p 57; MIDDLE EAST ECONOMIC DIGEST, 16 March 1979; MONTHLY BULLETIN OF STATISTICS, June 1979.

In the 1970's, the United States took the lead in capitalist commodity exports to the Arab countries. These exceeded 9 billion dollars in 1978, in comparison to 826 million in 1970--that is, they increased 10.9-fold in this brief period of time. The proportion accounted for by these countries in American exports more than tripled between 1970 and 1978--

from 1.9 percent to 6.6 percent.[19] To a considerable extent, these tendencies were due to more intensive activity by American companies in civil and defense construction, which led to the expansion of commodity imports from the United States.

The rapid growth of commodity exports slightly reduced the deficit in U.S. trade with the Arab countries in 1977 and 1978, but a significance portion was covered by means of "invisible" exports--that is, services of various kinds, particularly in the field of project planning, construction, organization and administration.

The trade commodity assortment is quite indicative in describing this "partnership." For example, whereas the United States exports a broad variety of industrial commodities to the Arab countries--from industrial equipment to household appliances--petroleum is predominant in American imports. This artificially stimulates the monosectorial development of the Arab economy and impedes the creation of a self-sufficient industrial complex.

Commodity exchange transactions, a new form of U.S.-Arab trade relations, work in the same direction: American shipments of machinery and equipment, mainly for the petroleum, construction, power engineering and mining industries, as well as means of transportation and communications, are paid for by shipments of oil.

Agricultural commodities (wheat, flour, cottonseed and corn oil and prepared food products) occupy a leading position in U.S. exports to the Arab countries. More than half of all the rice exported by the United States in 1977 went to these countries (on conventional trade terms), as well as around one-sixth of all wheat exports. Between 1968 and 1976, U.S. agricultural exports to the Arab countries increased more than 6-fold (in current prices). According to American economists, by 1985 the total could reach 4 billion dollars.[20] Shipments of food to other countries simplify the resolution of the agrarian products sales problem in the United States. Moreover, the threat of stopping these shipments is frequently used by American diplomacy as a means of exerting political pressure on the Arab governments.

To promote the sale of U.S. commodities in the Arab countries that do not export petroleum and do not have sufficient currency resources, American suppliers, just as in the past, are actively using preferential commercial loans and credit, extended to importers on the basis of intergovernmental agreements. This credit is sometimes extended for as long as 40 years (with a preferential 10-year period) and interest rates are low (1-3 percent per annum). In July 1976, for example, the United States and Egypt signed an agreement on the extension of five loans to Egypt for a total of 244 million dollars, with 100 million to be used for the financing of purchases of U.S. industrial and agricultural equipment. In March 1978, the United States extended 250 million dollars in credit to Egypt on similar terms to finance purchases of American goods.

It should be noted, however, that, as exporters of raw material and importers of industrial commodities, the Arab countries are experiencing all the negative consequences of the instability of the world capitalist economy, particularly the continuous inflation. According to the reports of the Egyptian MEN NEWS AGENCY, for example, inflation in the capitalist countries has imposed a loss of approximately 7 billion dollars on the Egyptian economy as a result of the rising prices in world markets between 1973 and 1976. This is almost 2 billion dollars in excess of the total foreign "aid" and loans received by the country in the same period.

The preferential crediting of trade, just as other economic ties with the Arab countries, is of a compulsory nature for American capital. It is due to the shortage of currency in the Arab countries (excluding the oil-producing nations) to pay for American import goods. Furthermore, this crediting is a result of the desire of American exporters to weaken the competition of Western European and Japanese goods (particularly in the Persian Gulf zone) and to prevent the development of trade contacts between the Arab countries and the socialist states, which take the form, incidentally, of long-term clearing transactions.

American companies often resort even to the overt bribery of officials, middlemen and commercial agents in the Arab countries. According to data in the American press, for example, the Northrop Company was able, with the aid of bribes, to sell Saudi Arabia and Iran around 1 billion dollars' worth of airplanes in 1975. The same method has also been used by other U.S. corporations--Lockheed, Boeing and Westinghouse.

Financial Sphere

The growth of the currency reserves of Arab oil-producing countries has stimulated the extensive penetration of this zone by American banks. American banking monopolies are skillfully taking advantage of the relative underdevelopment of the local credit and banking system, the weakness of intraregional ties and the conflicts between individual nations, which damage currency and financial cooperation, to pump petrodollars out of this zone and into the Western economy and to obtain additional huge profits in the sphere of international and inter-Arab credit.

Until the mid-1970's, Lebanon was the principal center of expansion by U.S. banks in the Arab world. By 1975, 24 registered branches of American banks were operating in Lebanon.[21] The Lebanese crisis forced the Americans to cease financial operations in this country and transfer them to nations with more "stable conditions," mainly the monarchic oil-producing states of the Persian Gulf. This relocation was also due to the important position these states had occupied in the world capitalist currency system as a result of their sharply increasing revenues from the sale of petroleum. According to data for December 1978, for example, Saudi Arabia had almost caught up with the United States in terms of gold currency reserves (19.4 billion dollars).[22]

Taking advantage of the liberal currency regulations in this zone and the absence of income taxes and strict government control over the activities of banking institutions, the largest American banks (Bank of America, Citibank, Chase Manhattan Bank and others) began the broad-scale penetration of Saudi Arabia, Kuwait, the United Arab Emirates and other Persian Gulf countries. They concentrated on the attraction of investments, the floating of loans in domestic and foreign markets, the purchase and sale of gold and other precious metals, real estate and re-export operations, displaying little concern for the financing of economic development projects in this region.

American banking capital is simultaneously penetrating other Arab countries as well. For example, Citibank has opened branches in Lebanon and Morocco and the Chase Manhattan Bank, Citibank and the International Credit and Commercial Bank have opened agencies in Jordan.

In Egypt, the American banks took advantage of the change in the socioeconomic and political attitudes of the national leadership to recover the positions they had lost in President Nasser's time. After 1974, for example, seven U.S. banking monopolies (Bank of America, Citibank, Chase Manhattan Bank and others) received permission, for the first time since 1956, to establish banks jointly with the Egyptian side, to open their own branches in Egypt's largest cities and to conduct the full range of operations under the supervision of the Egyptian Government and with extensive guarantees on its part.[23] As a result of this policy, more than 20 foreign and joint banks were operating in Egypt by the beginning of 1978.

It should be stressed, however, that government control has not eliminated the exploitative aspects from the activity of American and other foreign banks in Egypt. According to the data of a Cairo journal, ROZ AL-YUSEF, for example, Western banks, which control capital worth 26 million Egyptian pounds here by October 1977, had exported more than 160 million Egyptian pounds to Western Europe and the United States. For this reason, the administration of the Egyptian Central Bank announced the following in its annual report: "Instead of becoming centers for the attraction of foreign capital into Egypt, these banks have become centers for pumping capital out of the nation." And this process is gaining strength. According to the calculations of Egyptian economist A. Maraghi, for example, during the first 9 months of 1978 alone, foreign banks transferred around 400 million Egyptian pounds out of Egypt, in addition to the 150 million taken out of the country by foreign firms in the form of profits.

To retain their access to sources of high revenues, American banks are changing their methods of action, adapting them to new conditions and to the demands of the Arab governments. For example, whereas up to the beginning of the 1970's they preferred to operate without partners in the Arab countries or to occupy the dominant position in international banking firms and consortiums, in recent years they have agreed to control and to "partnership" with local banks in exchange for permission to conduct the full range of commercial operations and to export free capital abroad.

Moreover, under the conditions of more intense competition on the part of Western European and Japanese capital, they will now often agree to participate in international banking associations in the role of junior partner.

In this way, U.S. banking capital has infiltrated the Arab Finance Company (Beirut) and the Kuwait Company of Financial Advisers, as well as the Kuwait Investment Bank (Arab Trust Company), which were established expressly for the use of the petroleum revenues of Arab countries.[24] The Bank of America founded the Arab and International Investment Company and encouraged participation in the company by Arab, Western European and Japanese capital. An Arab-French-American consortium called "Union of Arab and French Banks--Arab-American Banks" has been founded in New York. Four American participating banks account for 20 percent of its charter capital (25 million dollars). Its main official goals are to attract Arab capital into the United States and finance the development of Arab-American commercial ties.[25]

American capital is actively cooperating with Arab and Western European banks in the international credit market and is participating in the joint funding of projects in some countries. At the end of 1977, for example, an international banking consortium headed by the "Citicorporation International," in conjunction with other American, Western European and Arab banks, floated a loan of 325 million dollars for Morocco in the Eurodollar market. Another consortium, headed by the Bank of America, floated a Eurodollar loan at the same time in the amount of 125 million dollars for Tunisia. In May 1978, the Arab and International Investment Bank, the Saudi National Commercial Bank and the American Citicorporation International gave Algeria a loan in the amount of 581 million dollars.

The current activities of American monopolistic capital in the Arab countries completely corroborate the conclusion of General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev that "even now, after the foundations of imperialism's colonial system have collapsed, imperialism is still stealing the natural resources and exploiting the labor of the population in the weaker and less developed countries, even though the imperialists must now act more slyly and steal more covertly."[26] Today, just as in the past, U.S. imperialism is trying to keep the Arab people within its own orbit of influence and postpone their total liberation. These attempts must ultimately fail because they are radically contrary to the logic of contemporary social development, the fundamental interests of the Arab people and the ongoing process of change in the world balance of power in favor of socialism and progress.

FOOTNOTES

1. V. I. Lenin, "Pon. sobr. soch." [Complete Collected Works], vol 22, p 187.

2. BIKI, 14 August 1976; 24 January 1978.

3. Ibid., 24 January 1978; SURVEY OF CURRENT BUSINESS, August 1978, pp 33-34.

4. AZIYA I AFRIKA SEGODNYA, No 10, 1978, p 12.

5. V. I. Lenin, Op. cit., vol 27, p 360.

6. Calculated according to: SURVEY OF CURRENT BUSINESS, April 1978, p 32.

7. MIDDLE EAST ECONOMIC DIGEST, 20 May 1977, p 15.

8. SURVEY OF CURRENT BUSINESS, April 1978, p 30.

9. JEUNE AFRIQUE, 2 September 1977; SURVEY OF CURRENT BUSINESS, April 1978, p 27.

10. COMMERCE AMERICAS, No 16, 1978, pp 29-30.

11. MIDDLE EAST ECONOMIC DIGEST, 6 April 1973, p 389; 13 April 1973, p 417.

12. JEUNE AFRIQUE, 2 September 1977, p 15.

13. DAILY WORLD, 3 July 1971.

14. "Istoriya i ekonomika stran Arabskogo Vostoka" [History and Economics of the Nations of the Arab East], Moscow, 1973, p 86.

15. AL-AHRAM, 6 January 1979.

16. BIKI, 4 March 1978.

17. MIDDLE EAST ECONOMIC DIGEST, Special Report, November 1977, p 3.

18. COMMERCE AMERICAS, No 8, 1977, pp 50-51.

19. "Statistical Abstract of the United States 1976," pp 844-845.

20. BIKI, 4 April 1978.

21. U.S. NEWS AND WORLD REPORT, 26 May 1975, p 45.

22. MONTHLY BULLETIN OF STATISTICS, June 1979, pp 230-243.

23. MARCHES TROPICAUX ET MEDITERRANEENS, 14 March 1975, p 799.

24. MIDDLE EAST ECONOMIC DIGEST, 13 April 1973, pp 415-416; LE MONDE, 27-28 January 1974; 15 November 1974; FINANCIAL TIMES, 16 October 1975.

25. JEUNE AFRIQUE, No 781, 1975, p 42; MIDDLE EAST ECONOMIC DIGEST, Special Report, November 1977, p 52.

26. L. I. Brezhnev, "O vneshney politike TsK KPSS i Sovetskogo gosudarstva. Rechi i stat'i" [On the Foreign Policy of the CPSU Central Committee and Soviet State. Speeches and Articles], Moscow, 1973, p 149.

8588
CSO: 1803

THE EXECUTION OF CHARLES HORMAN; AN AMERICAN SACRIFICE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 96-107

[First installment of translation by V. N. Pivovarova of chapters from the book "The Execution of Charles Horman; An American Sacrifice] by Thomas Hauser, Harcourt Brace Jovanovich, Inc., New York, 1978]

> [Text] Soon after the military coup in Chile, junta soldiers in Santiago arrested young American Charles Horman, who "knew too much" about the United States' involvement in the organization of the coup. A month later, the father of the young American, who had come to Chile from New York to look for his son, learned that Charles Horman had been shot soon after the arrest. As a result of his investigations, Ed Horman, the father of the executed man, became convinced that U.S. representatives in Chile were involved in the murder.
>
> This tragic case is the subject of "The Execution of Charles Horman," a book by American attorney Thomas Hauser. We are reprinting, with slight abridgments, V. N. Pivovarova's translation of chapters from the concluding part of the book, in which Ed Horman tells the author about the results of his investigation.

[Selections from book not translated by JPRS]

8588
CSO: 1803

PROTECTION OF PLANT AND ANIMAL LIFE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 108-117

[Article by I. V. Vasok]

[Text] Data published last year by the U.S. Department of the Interior indicate that around one-third of all of the species of animals and plants categorized by American scientists as "endangered" are native to the United States. Furthermore, over half of the species in imminent danger of extinction are also native to the United States.[1] In particular, a third of the endangered species of birds, 29 out of 39 species of fish and 23 out of 25 species of clams are in the United States.[2]

The "Red Book" published by the Department of the Interior lists, for example, such species as the American whooping crane, the bald eagle, the grizzly bear, the American crocodile, the lynx, the otter, the Florida manatee, the Houston toad, the wolf, many species of birds, plants and insects, etc.[3] The department now plans to add another 2,000 endangered species of flora and fauna to the list, but even this will probably leave the list incomplete. In Hawaii alone, this danger exists for 1,113 species of vegetation (that is, more than 50 percent of all species of flora in the islands), in the state of Arizona it exists for 680 species, and in Texas it exists for 239 species. Of the 23 species of Hawaiian honeycreeper, a rare bird which exists only in the Hawaiian Islands, 8 are already extinct, 9 others are endangered, and the remaining 6 are also fated to disappear in the near future.[4]

An extremely indicative example of current events in the natural world can be seen in the fate of the North American caribou living in Alaska. At the beginning of the 1970's, a noisy campaign in defense of the caribou was launched in the nation in connection with the construction of the Alaskan Pipeline, which could have cut off the seasonal migration route of the animals. In 1970 there were 242,000 head of caribou. According to representatives of the oil monopolies and the government, measures were taken to preserve the natural habitat of the caribou when the pipeline was constructed (a significant part of the pipeline was lifted off the ground). In spite of this, however, there were only 58,000 caribou left in Alaska in 1976--that is, the number fell to less than one-fourth of its previous level in just slightly more than 5 years.[5] A "more natural" explanation was found for the disappearance of these animals. According to industrialists, the caribou were being killed by wolves, which, as we know, are a protected species. An investigation showed, however, that the wolves were no better off: 7 of the 24 subspecies that once lived in Alaska were extinct.[6] An important role here was most probably played by the rapacious slaughter of the caribou during hunting season, as is now happening to the Alaskan moose as well. In 1973 alone, 710 of the 3,000 moose were killed by hunters. And half of them were females, the hunting of which had been expressly prohibited for the preservation of future generations of these already rare animals.

In a message to Congress on the environment in May 1977, President Carter had to admit that "the Americans have long presumed that nature can take care of itself, and that even if it does not, someone else will suffer the consequences."[7] The most unrestricted rights to plunder natural resources have been enjoyed by American business. The appetites of American capital, which is destroying the resources of the natural world, are not limited to U.S. territory. Between 1972 and 1973, for example, more than 86,000 leopard and jaguar skins were illegally brought into the United States from Africa and Latin America and were sold here at speculative prices, even though these are protected species. On the whole, the annual number of various legally imported goods, for the production of which wild animals are shot, rose from 1.7 million in 1972 to 91 million in 1976, and the number of imported skins and furs rose from 910,000 in 1973 to 32.5 million at present.[8] According to the data of the same Department of the Interior, 100 million tropical fish, 500,000 reptiles, 100,000 mammals and so forth were brought into the United States in 1977.

Considering the speculative prices of various items made of rare natural skins, pelts, feathers, furs and so forth in the United States, we can imagine the fabulous profits that are being made by some American "entrepreneurs."

At the same time, it would be difficult to overestimate the significance of the preservation of natural flora and fauna for man himself and for his scientific and economic activity. E. Eckholm of the international Worldwatch Institute in Washington, in particular, has noted that mankind still does not realize the degree to which it depends on natural products and surrounding flora and fauna.[9] Above all, flora and fauna represent a genetic fund that is far from completely utilized. Studies in the United States have shown that even cultivated types of grain rest on a fairly limited genetic base. Besides this, according to scientists' calculations, only 3,000 of the 80,000 edible plants are now being cultivated. Many industrial materials come from natural sources. They include dyes, rubber items, machine oil, pesticides and so forth. Natural elements are already being used in 40 percent of all medicine manufactured in the United States: Plants are used to make 25 percent of all drugs, microbes are used in

12 percent, and animals are used in 6 percent. And this, according to the American medical community, is only an insignificant proportion of nature's "vast medicine cabinet."[10] Nature also serves as a gigantic scientific laboratory, which, as Harvard University Professor R. Schultz points out, "represents a genuine reservoir of new chemical components and many extraordinary biodynamic processes providing chemists with a new basis for putting together increasingly interesting structures."[11] In turn, the study of animal physiology often gives scientists the correct solution to problems in other fields of science, particularly in medicine. A thorough study of the life of the albatross and other large birds has helped scientists to diagnose several ailments of the cardiovascular system in man. Some species of fish in the dessert have an amazing capacity for adaptation to differences in water temperature and salinity. American scientists hope that the study of this potential for adaptation will aid in the treatment of kidney disease in the human. Finally, the world of nature is simultaneously man's larder and a place for rest and recreation.

The importance of flora and fauna to man must even be taken into account by those who have turned nature into an unlimited source of free resources, just as they have turned into a dumping ground. The situation is now so complex that capitalism, in the words of American reserchers C. Barkley and S. Weisman, must be "efficiently reorganized for the more effective exploitation of resources."[12] For this reason, numerous measures of an organizational nature are now being carried out in the United States to preserve natural flora and fauna, scientific research is being conducted to establish the necessary conditions for the continued reproduction of live nature, and increasing sums are being allocated for the purchase and preservation of land with unique natural features.

System of Protected Natural Territories

The implementation of measures connected with the preservation of plants and animals in the United States requires that a unique "inventory" first be taken of species threatened by extinction. For this purpose, the "Red Book" of the United States contains the Endangered Species List. It is also known that the greatest threat to the existence of plants and wildlife is the destruction of their habitat. For this reason, the United States, just as many other countries, is conducting observations and describing the habitats of these species in accordance with another special list (the Critical Habitat List). These "critical habitats," just as unique natural territories in the United States, are sometimes designated as protected regions. But protected territories there can be of various categories, depending on the purpose of conservation measures and the degree to which the particular territory is unique.

Among these protective territories, special mention should first be made of national wildlife refuges, where many species of animals are protected. There are now more than 500 of these in the United States, covering a total area of close to 13.5 million hectares.[13] The first of these was created in 1903 to protect the pelicans on an island near Florida. It is interesting that around 70 percent of all the refuges were created expressly for migrating species of birds, including summer nesting sites, wintering locations and places where the birds stopped to rest and eat. This primarily applies to wild geese and ducks, which make the flight twice a year between breeding sites in Canada and the northern United States and wintering locations in the south of the North American continent, all the way to the Caribbean basin. The Mississippi River valley is one of the world's most lively migration "routes" used by water fowl. Special regions have been set aside in many states here for their reproduction, covering a total area of 520,000 hectares.

A characteristic feature of the wildlife refuges in the Unites States is the fact that many of them are simultaneously used as hunting grounds.[14] For example, 16 regions with a total area exceeding 3 million hectares have been set aside for large game. But the "pasture-refuges" nonetheless occupy the most territory (5.5 million hectares), and hunting is prohibited in these zones.

One of the largest multipurpose wildlife refuges is located in the Mississippi highlands, on the territory of four states--Illinois, Iowa, Minnesota and Wisconsin. It was established in 1924 and its total area exceeds 80,000 hectares. The refuge is not only open to tourists. Hunting for water fowl is permitted on 80 percent of the territory, and special licenses are issued for the hunting of small and medium-sized game.

In 1975, a long-range program for the further development of wildlife refuges was drawn up in the United States. The implementation of this program is expected to cost more than 400 million dollars between 1976 and 1985, and a large part of this sum is supposed to be covered by hunting license fees and other refuge operation receitps.[15] The program emphasizes the protection of rare and endangered species of plants and animals, just as an increase in the number of wild animals and birds living in refuges. The program envisages the completion of 780 research projects by university and federal bodies and the organization of numerous general educational and special courses in ecology, mainly for college students. The wildlife kill is to be reduced by approximately 10 percent, and the main emphasis here will be placed on reducing the kill of water fowl. The main purpose of the federal program for the improvement of wildlife refuges, however, is to creat optimal living conditions for various animals. It is intersting that the main "yardstick" in the United States is the number of "use days" comprising the permanent or temporary stays of different groups of animals in the refuge. In particular, the federal program stipulates the annual proficient, by 1985, of 142 million such "use days" for endangered species in the refuges, around 6 billion "use days" for various birds and 10.8 million for groups of animals, including the grizzly bear, the wolverine, the sea otter, the snow ram and the musk ox.[16]

The national wilderness preservation system covers another type of protected territories in the United States. The federal government began to create these zones in 1964, mainly for the protection of the most representative natural landscapes untouched by economic activity. For this reason, these territories are often located totally or partially within protected territories of other types. For example, of the 130 wilderness preserves with a total area of 4.8 million hectares, more than 40 (covering around 230,000 hectares) are located in wildlife refuges, and 85 (4.6 million hectares) are located in national parks. In 1976 alone, 34 new "wildernesses" were designated in the United States, with a total area of 700,000 hectares.

There can be no commercial enterprises or transportation networks within these "wildernesses." Cars, motorcycles, bicycles, motorboats and so forth cannot be used as means of transportation in these zones. The entry of the more popular ones is regulated by the issuance of special passes.

One of these preserves--Dolly Sods (4,000 hectares)--is located in the western half of Virginia at an altitude of 1,200 meters above sea level. At one time, large sections of forest here had been chopped down and burned. Now the area is gradually being reforested with northern varieties of larch and red spruce. This process is of great interest to botanists and ecologists.

Protected territories used strictly for scientific purposes are called ecological reserves in the United States. This system of reserves is subdivided into two categories. The first takes in natural research sites, which are not only a kind of laboratory for the study of undisturbed natural processes, but also plant and animal genetic funds. One such site is located near Stinkin River (Oregon). Since research work is conducted here, the entire reserve (700 hectares) is fenced off, with no tourists allowed.

The other category of ecological reserves is made of experimental ecological sites, where scientific experiments can already be carried out to determine the possible ecological consequences of man's economic and other activity. Reserves of this kind are often used for academic purposes as well.

In all, there are more than 300 ecological reserves in the United States, often located within the boundaries of wildlife refuges. Moreover, it is important to note that they are under the jurisdiction of various federal organizations--the Forest Service, the National Park Service, the Fish and Wildlife Service and so forth. For this reason, each of these agencies works out its own principles for the administration of these territories depending on their scientific objectives. For example, in areas under the jurisdiction of the Forest Service, the use of ecological reserves must be conducted in such a way as to prevent the disruption of ecological processes. But the regulations of the National Park Service, even allow the gathering of fruits, berries and so forth in ecological reserves, although only for local consumption and not for sale.

The objective of the national natural landmark program is to register the natural landmarks in the nation. These landmarks are located on lands owned by the federal, state and municipal governments, as well as private estates. The registration of a landmark does not change the form of its ownership, and the fate of a natural landmark in the United States therefore often depends on the attitude of the private owner. These landmarks mainly include surviving rare forms of flora and fauna, their habitats and locations of propagation, petrified wood, unique geological formations and so forth. An example of this kind of landmark is the Malaspina glacier in Alaska--one of the largest and most representative alpine glaciers in the world (with an area exceeding 1,000 square miles).

Since 1968, the National System of Wild and Scenic Rivers has included rivers or their tributaries (as well as the territories through which they flow) of great aesthetic value, with high recreational potential, or of interest from the standpoint of the flora and fauna inhabiting their banks, as well as the geology, history and culture of the particular region. At present, 19 rivers or sections of rivers, with a total length of around 165,000 kilometers, have been declared protected in the United States. Besides this, research is being conducted to consider the inclusion of more than 50 other rivers and sections of rivers in the national system.[17]

In recent years, special attention has been given to the protection of coastal areas in connection with off-shore oil and gas drilling on the continental shelf. Plans call for the creation of several maritime preserves within the boundaries of the continental shelf and the Great Lakes. Two preserves have now been created in the river estuaries of Georgia and Oregon and one on the continental shelf near the coast of North Carolina.

Finally, the preservation of the natural plant and animal world has been greatly aided by the creation of the huge National Park System, although its main objective is public recreation. The United States now has around 40 parks and more than 160 other types of territories covering a total area of around 12 million hectares. In 1978, after lengthy debates in Congress, President Carter signed a bill to enlarge the National Redwoods Park (California), where a rare species of gigantic tree--the evergreen sequoia--is now being protected.[18]

The main distinctive feature of the national monuments, which are also part of the National Park System, is the natural landmark monument, which is frequently connected with U.S. history. There are now more than 80 of these. They include the famous "badlands" of South Dakota, showing the original traces of the large-scale erosion processes in the United States. The natural monuments in the United States also include the famous Death Valley (California and Nevada). This is one of the deepest dry basins on earth (85 meters below sea level), where maximum summer temperatures can exceed 50° C. The name of the valley is associated with the many gold prospectors who met their end here in the 19th century.

Administrative Machinery

The protection of fauna and flora in the United States is still mainly within the competence of the federal government.[19] In particular, it keeps the national register of species of plants and animals in the United States and unique and representative natural landscapes, determines the species of flora and fauna in danger of extinction, defines their habitat and breeding locations, purchases land of natural value and organizes its protection, conducts scientific research needed for creating optimal conditions for the preservation of living organisms, etc.

The role of local and state government in this sphere is quite limited. It usually consists only in the supervision of federal programs on the local level. In these cases, the state concludes special agreements with the federal government, which represent a basis for the issuance of federal grants to these states for the protection of rare species. More than half of the states have not, however, concluded such agreements to date. The reason for this can be found in the pressure exerted by business on local governments. For example, in the state of Wyoming the wolf is categorized as a predator, while the federal register lists the wolf as an endangered species. Livestock breeders and the powers behind sports associations constitute a strong lobby in the legislative bodies of the state, preventing the adoption of any resolutions protecting this animal.

The very approach to the creation and maintenance of preserve systems is undergoing a definite evolution. Just 15 years ago, a law was passed in the United States (the Wilderness Act of 1964), envisaging the creation of reserves only in regions undisturbed by economic activity. In accordance with amendments adopted in 1975, the federal authorities are now attempting to restore unique natural territories in the nation's East, where the need for recreational zones is particularly noticeable. In order to protect endangered natural species in the United States, a special law was passed (the Endangered Species Act of 1973), which marked the beginning of a corresponding long-range federal government program and invested the government with the necessary legal powers.[20] In the last decade, the U.S. Congress has passed several legislative acts envisaging the further expansion of the preserve system. The latest and most significant of these laws, the National Parks and Recreation Act of 1978, envisages, in particular, the enlargement of 37 national parks, with new "wilderness" areas in 8 of them. In addition, 12 new areas will be designated as national parks, and 8 wild and scenic rivers will be taken under federal protection.[21]

The amount of time required for making decisions on the federal protection of a particular species has been considerably reduced. This period, consisting of three basic stages (the publication of scientific information corroborating the danger of the species' extinction; the submission of an official request to put the species on the endangered list; and, finally, the inclusion of endangered species in the federal register), now amounts to no more than 60 days. Moreover, laws envisaged the creation of task forces, consisting of scientists, professionals and administrators, to calculate the danger of the extinction of a particular species. The members of these task forces draw up and implement the plan for the preservation of the species. Laws also prohibit the export of rare and endangered species from the United States and the transport of these species from one region to another.

On the whole, these legislative measures have considerably stimulated conservation activity. In particular, the Endangered Species Act, which prohibits economic activity in locations inhabited by rare species of wildlife, was called "the most rigid and uncompromising" law during congressional hearings. It should be noted, however, that the laws passed in this sphere do not stipulate the precise position of wildlife conservation in the system of U.S. national priorities. A system has not been developed in the nation for determining expenditures, benefits and probable consequences when the creation of new preserves is being considered. These and other shortcomings of the legislative measures unavoidably lead to conflicts and create a broad field for maneuvers by monopolistic capital, which often opposes the federal government's initiatives in this sphere. In the last decade, for example, the U.S. administration failed repeatedly in its attempt to create preserves in Alaska due to the intensive industrial development of this northern territory with its extremely fragile ecological system.

It is also interesting that American business has founded easy to make use of conservation legislation in its own interests by taking advantage of the American public's concern for the preservation of nature. For example, in June 1978, by a vote of six to three, the U.S. Supreme Court prohibited the Tennessee Valley Authority from filling the Tellico Reservoir, the construction of which had already cost 119 million dollars by that time.[22] The official reason for the verdict was the fact that the operation of this large hydraulic system would result in the total extinction of a small fresh-water fish of the perch family--the snail darter--which only lives in the lower reaches of the Tennessee River. A careful study of this case clearly proves, however, that the verdict of the highest U.S. court was not only the result of concern about the fate of the snail darter. The fact is that the Tennessee Valley Authority represents the government sector of the economy in the United States and this organization is now quite successfully carrying out several energy and hydraulic engineering programs. Its activity, which provides actual proof of the advantage of developing the government sector, is not always to the taste of big business, which frequently tries to compromise its success.

All federal wildlife conservation programs are drawn up and carried out by the Department of the Interior, which has several specialized conservation services.

The following factors must be taken into account if expenditures on the maintenance of preserves in the United States are to be comprehensively assessed. In the first place, a considerable portion of the budget of the Department of the Interior's specialized services is used not for the protection of wildlife, but for the organization of suburban recreation areas for the population and the maintenance of various recreational facilities. In the second place, more than a dozen other federal agencies take part in administering the federal programs (the Forest Service and Soil Conservation Service of the Department of Agriculture, the Environmental

Protection Agency and others). For this reason, the results of a special analysis, conducted annually at the time when the federal budget is being prepared, indicate that the federal government spent more than 650 million dollars in fiscal year 1978 to protect unique natural territories, including national parks, natural landmarks, scenic rivers, coastal zones and the habitats of endangered species.[23] The same year, an additional sum of around 560 million dollars was allocated for the organization of sports fishing and hunting in national refuges, the construction and maintenance of fish farms, and the financing of measures to protect threatened and endangered species.

Expenditure Dynamics of Conservation Services of
the Ministry of the Interior, in Millions of Dollars
(Current Prices)

	1972	1974	1978
Fish and Wildlife Service	142.7	160.3	313.0
National Park Service	183.9	249.0	447.5
Heritage Conservation and Recreation Service	193.5	252.9	667.0

"The Budget of the United States Government, Fiscal Years 1974, 1976, 1980," Washington, 1973, 1975, 1979.

Considering the fact that two-thirds of all land in the United States is privately owned, most of these funds are used for the purchase of land of conservation significance. For this purpose, a special Land and Water Conservation Fund was created in 1964 and is now administered by the Heritage Conservation and Recreation Service. Moreover, the U.S. Government is obligated to constantly augment this fund. In particular, in 1976 the U.S. President signed a bill allocating 10.3 billion dollars to the fund in the next 12 years.[24] The main reason for the increase in these expenditures is connected less with the expansion of purchase volumes than with the rising cost of land, particularly in recent years. According to the Fish and Wildlife Service, the price of land purchased for refuges increased 3.2-fold between 1962 and 1975, and it rose 700-800 percent during the same period in the breeding grounds of waterfowl.[25]

The major conservation functions in the United States are performed by the Fish and Wildlife Service. It employs more than 4,000 people, but just slightly over 800 are engaged in the management of refuges, mainly in field stations. The Fish and Wildlife Service acquires, protects and manages territories of vital importance as the habitats of migrating birds, big game and threatened and endangered species. It also has jurisdiction over 98 fish farms, used for commercial purposes and for recreational fishing. Research into the ecology of wildlife is also conducted here. The service gives state governments financial and technical assistance in the restoration of wildlife preserves and advises other federal agencies on measures for the protection of rare and endangered species. For example, during just the first 5 years after the Endangered Species Act was passed, more than 4,500 consultative conferences were held in federal agencies.

At present, 44 species of animals, threatened to one degree or another by extinction, and 325 species of obvious scientific, aesthetic or recreational value are under the protection of the Fish and Wildlife Service, while more than 700 species are being protected in all.[26] In view of the fact that wildlife refuges and other protected territories are located in virtually all of the states, the service has seven regional "field divisions," the headquarters of which are located in Georgia, Alaska, Colorado, Minnesota, Massachusetts, New Mexico and Oregon. In turn, these "field divisions" have around 190 field stations, which conduct work directly on the local level. Sometimes a single station serves and oversees several refuges. Fourteen large scientific research laboratories and centers are operating as part of the Fish and Wildlife Service. Special agreements on joint research have been concluded with 45 universities and several federal agencies.

The programs drawn up in the United States for the development of wildlife preserves also have a hidden social purpose. According to the U.S. President's Council on Environmental Quality, only 3.5 percent of all the funds allocated for conservation are used to finance programs unconnected with hunting.[27] The rest are used to maintain and improve territories where hunting, sports fishing and other types of recreational activity have been organized in one way or another. These territories are accessible, as we know, only to financially secure Americans (they are generally located far from big cities, hunting and fishing require the purchase of special licenses, etc.).

The preserves are also being infiltrated by business, which is now turning the sphere of recreation and tourism into one of the most profitable fields of enterprise. This, in turn, is further increasing the tourist "onslaught" on protected territories, which is justifiably considered to be one of the more difficult problems in the field of conservation in the United States.

In its development of the refuge system and its improvement of the machinery for its administration, the federal government is benefiting the monopolies by allowing certain types of activity on protected lands that are incompatible with the objectives of conservation. This indicates the duality of the policy of the bourgeois state, which invariably makes concessions to industrial monopolies, primarily raw material concerns, when it is trying to attain strictly national objectives. These and other monopolies earn huge profits by taking on only the negligible cost of licenses giving them the right to drill for oil and gas (1.6 million dollars a year) and procure lumber (800,000 dollars a year). For example, in the state of Wyoming alone, many hectares of land have been plowed up by bulldozers in search of deposits of jade--a stone which is used for the manufacture of ornamental objects and which is of relatively little value. In the famous Death Valley, a national monument, more than 4,000 mining leases have been issued to industrialists. Many sections of this unique territory, connected with the history of American colonization, have been deformed and disfigured by gullies and dumps. It is no coincidence that the few bills envisaging a ban on mining in certain protected territories require many years of consideration by legislative bodies or get permanently stuck there.

FOOTNOTES

1. "Environmental Quality--1978," Washington, 1978, p 334.

2. Ibid.

3. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 10, 1977, pp 117-127.

4. "Environmental Quality--1978," p 323.

5. "Fish and Wildlife Miscellaneous," pt 5. Hearings before the Sub-Committee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries, House of Representatives, 94th Congress, Washington, 1976, pp 375-376.

6. Ibid.

7. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 28 May 1977, p 1059.

8. "Endangered Species," pt 1. Hearings before the Sub-Committee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries, House of Representatives, 95th Congress, Washington, 1977, p 28.

9. FUTURIST, October 1978, p 293.

10. For example, a substance which, according to American experts, will be quite effective in the treatment of viruses was recently derived for the first time from a little-known species of sponge found near the coast of the Bahamas. According to the estimates of physicians, only 5 percent of all species of flora have been investigated to determine the possibility of their use for pharmaceutical purposes.

11. FUTURIST, October 1978, p 295.

12. "From Conservation to Ecology. The Development of Environmental Concern," New York, 1973, p 126.

13. "The Operation of a National Wildlife Refuge System. Final Environmental Statement," Washington, 1976, p A-1.

14. The use of territories for recreational purposes (including fishing, hunting and so forth) in the United States can be combined with the assignment of refuge status to the site. This, however, requires special permission from the Department of the Interior. Permission must also be requested for the installation of power transmission lines, the building of roads and sewers, and so forth. Logging operations, the pasturing of livestock and even mining are often permitted within refuges.

15. "The Operation of the National Wildlife Refuge System," pp 1-6.

16. Ibid., pp 1-4, 1-5.

17. "Environmental Quality--1977," Washington, 1977, p 87.

18. ENVIRONMENT, September 1978, p 37.

19. This is the main difference between conservation measures and another extremely important national program for the protection of nature--the protection of the environment against pollution, in which all echelons of public administration and the private sector of the U.S. economy are involved.

20. The sum allocated by the federal government for the financing of this program for just 5 years (from 1979 to the end of 1983) was 200 million dollars.

21. ENVIRONMENT, November 1978, pp 37-39.

22. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 11 November 1978, p 3269.

23. "Special Analyses. The Budget of the U.S. Government, FY 1980," Washington, 1979, p 289.

24. "Environmental Quality--1977," p 80.

25. "Conserving Our Fish and Wildlife Heritage," Annual Report of the U.S. Fish and Wildlife Service, Washington, 1976, p 2.

26. "The Operation of the National Wildlife Refuge System," pp 1-60.

27. "Environmental Quality--1976," Washington, 1976, p 100.

8588
CSO: 1803

BOOK REVIEWS

Past Plans for Nuclear War

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 118-120

[Review by V. I. Bogachev of the book "'Dropshot.' The United States Plan for War with the Soviet Union in 1957," edited by Anthony Cave Brown, New York, The Dial Press/James Wade, 1978, 330 pages]

[Text] This book is not the product of the sick imagination of a bitter misanthropic hermit and it is not a fantasy calculated to appeal to the taste for the bizarre. This is a book about an official document of the U.S. military establishment, which was planning to start a nuclear war against the socialist countries.

It would hardly be an exaggeration to say that the "Dropshot" plan, the text of which is presented in full and annotated in this book edited by American journalist Anthony Brown, represents one of the most candid expositions of the monstrous intentions of the enemies of peace that has ever been offered to the general reading public.

Data cited in the book testify that the Truman Administration ordered preparations for an atomic attack on the Soviet Union even before the end of World War II, at a time when Soviet and American soldiers were still fighting side by side against a common enemy.

Within 51 days after Japan's surrender, Pentagon intelligence had already submitted the first plan for an atomic strike on 20 Soviet cities, called the "Strategic Vulnerability of Russia for a Limited Air Attack."

In his comments on other U.S. military plans in the first post-war years, A. Brown says: "The Pentagon had more in mind than planning for unforeseen circumstances. There is evidence that Louis Johnson, secretary of defense in 1949 and 1950, advocated preventive war" (p 19). Brown stresses that the U.S. Joint Chiefs of Staff "could easily have concluded that preventive war was not only necessary, but even desirable" (pp 18-19).

The plans for "preventive" atomic warfare by the United States against the socialist countries in 1949 and 1950 were not carried out, but this was not in any way due to a change in the cannibalistic views of U.S. military leaders in regard to the future of the world. It was simply that, as A. Brown frankly states, "the United States could not have won this kind of war in 1949-1950." In these years, the atomic monopoly of the United States was nearing its end. Reliable means of holding an aggressor in check had been developed in the USSR. Washington had to reconsider its previous plans, taking new conditions into account. The result was this more detailed plan for war, tentatively scheduled for 1957.

The "Dropshot" plan, which was drawn up in 1949 by Joint Chiefs of Staff personnel at the request of U.S. President H. Truman, envisaged massive nuclear strikes on cities and industrial centers in the socialist countries and the occupation of vast territories in Europe and Asia by American troops for the ultimate goal of "stamping out Bolshevism."

Brown calls this Pentagon plan a "time-table for Armageddon" and concludes that it was a mistake to publish the plan even 30 years after its compilation, asserting that the plan "should have been burned, buried or hidden in a secret cave," as it can now be interpreted as "an example of constant American militancy against Russia."

Analyzing the specific features of the "Dropshot" plan and underscoring its deviations from the strategic plans of other countries, A. Brown writes the following: "Obviously, generals exist to protect their country, and they must have plans for defense. But it is one matter to plan the defense of one's own borders, and quite another matter to plan a world war" (p 2).

While Pentagon strategists stressed the strength and solidity of the Soviet order and made special mention of the "inherent bravery, staying-power and patriotism" of the population of the USSR and the "ideological appeal of the theory of communism," they also admitted that the Soviet nation did not intend to settle its disagreements with the capitalist world by means of war.

Although the "Dropshot" plan contains a multitude of absurd lies about the Soviet Union's political goals, when it was being compiled the Pentagon believed that the Soviet Union would not start a war. This is attested to by numerous excerpts from the "Dropshot" document that are quoted in the book:

"A thorough evaluation of various factors indicates the probability that the Soviet Government is not presently planning any premeditated armed actions aimed at U.S. involvement, but is still attempting to attain its objectives primarily by political means" (p 41);

"Their [Soviet] policy is now apparently motivated largely by considerations of defense" (p 38);

"It is now unlikely that the USSR will start a war against the United States" (p 20).

At the same time, it is completely obvious that "Dropshot" was a plan for an unprovoked U.S. atomic attack on the socialist countries.

"The time and scales of the initial strike will be based on the need for early and effective preventive attack, in the event that such actions become feasible, and on the need to destroy their offensive potential against our own military potential," the "Dropshot" plan states (p 22).

The purpose of this plan actually consisted in starting an unprovoked nuclear war against the socialist countries and, after reducing dozens of cities to ashes and killing millions of people with atomic bombs, to reverse the course of history and guarantee U.S. monopolies absolute supremacy throughout the world.

It is indicative that during the years of active U.S. preparations for nuclear war against the Soviet Union and the other socialist countries, intimidation by means of the "Soviet threat" did not cease for a moment in the West. In light of later events, it is interesting that the "Dropshot" plan not only contained a pedantic time-table for atomic strikes on Soviet cities and instructions regarding the deployment and functioning of U.S. occupation troops in the USSR, the GDR, Romania, Poland and other European and Asian countries, but also envisaged measures for the psychological preparation of the American population for an aggressive U.S. nuclear war against the socialist countries. It was essential, the plan instructed, that the "American public be fully informed and aware of the threat to our national security, so that it will be prepared to support the measures we will have to take accordingly" (p 44).

"Dropshot" was a plan for genuinely universal destructive war, and its effects on our planet would be difficult to predict. The Pentagon planned the extensive use of bacteriological and chemical weapons in addition to atomic bombs.

In addition to accomplishing the main task of destroying the socialist countries, Washington hoped to also use this war to stifle national liberation demonstrations in Indochina, Burma, Malaya and other parts of the world (p 14).

According to the plan, one of the United States' most reliable allies in the war against the socialist countries would be the Union of South Africa (now the Republic of South Africa), since, as Pentagon strategists maintained, South Africa "wants to protect the freedom of its country from foreign influence and guarantee internal security for the ruling white minority. South Africa has an interest in making as much as possible of the African continent a 'white man's land,' in which South Africa would be the leading state" (p 78).

It is possible that the Pentagon planned to use military action against the Soviet Union to annihilate "undesirable elements" within the United States. According to the script for the development of events during the course of the war, compiled by A. Brown on the basis of the "Dropshot" plan, the U.S. President would dissolve several large labor unions, "which had been infiltrated by communists," and legal and "spontaneous" reprisals would be taken against progressive Americans.

It has been 30 years since the Pentagon adopted this sinister plan. Many of its compilers have gone to the next world without ever seeing the "stamping out of Bolshevism." Colossal changes have taken place in the world. The economic strength and international prestige of the socialist countries have grown immeasurably, and the Soviet Union has achieved strategic parity with the United States. In 1974, U.S. President R. Nixon made a public announcement: "As soon as the Soviet Union achieved equality in the field of strategic weapons systems, any confrontation with this nation carried the threat of the nuclear destruction of all civilized nations."

American ruling circles had to admit that any nuclear adventures against the Soviet Union and against the socialist world would be suicidal.

As a result of the persistent and patient efforts of our party and the Soviet Government, important Soviet-American and multilateral agreements have been concluded in recent years, postponing the danger of war. But the delirious ideas that inspired the compilers of "Dropshot" are unfortunately still alive. Today the enemies of peace, just as in 1949, are still screaming about the "Soviet threat" and are advocating the buildup of American military potential.

The most vigorous activity against military detente is now being whipped up around the Soviet-American SALT II agreement signed recently in Vienna, agitating against its ratification. The book about the "Dropshot" plan is a timely reminder of the dangers of continuing the arms race and undermining the process of military detente in Soviet-American relations.

McCarthy Updates de Tocqueville

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 120-122

[Review by V. A. Linnik of the book "America Revisited: 150 Years After de Tocqueville: by Eugene McCarthy, New York, Garden City, 1978, 256 pages]

[Text] This is the ninth book for Eugene McCarthy--prominent U.S. politician and public spokesman. In 1948, when he was 32 years old, he was elected to the U.S. House of Representatives. In the political sense, McCarthy's generation was a continuation of the progressivist movement in Minnesota. The Democratic Party organization in this state, which was distinguished by its merger with a leftist Minnesota worker and farmer party, was then one of the most radical in the nation.

For decades until just recently, Minnesota supplied the national scene with liberal politicians (E. McCarthy, H. Humphrey, W. Mondale and W. Anderson), until it completely exhausted its past reserves of bourgeois reformism in the 1978 elections and voted--for the first time in the history of the state--for Republican candidates.

In 1958, E. McCarthy was elected to the Senate. At the national Democratic Party convention in 1960, he nominated A. Stevenson as the Democratic presidential candidate. Stevenson said that the Minnesota senator "personified the best features of the Democratic Party."

In the Senate, McCarthy proved to be a pragmatic liberal; at one time, he was even in the good graces of southern Democrats and opposed the repeal of oil corporation tax exemptions.

McCarthy was one of the first critics of the American aggression in Vietnam, although the motives for his disagreement with the administration's policy on this issue were ambiguous. McCarthy was more critical of the emphasis than the essence of American foreign policy. He believed that the U.S. involvement in Southeast Asia was putting NATO in a shaky position and diminishing U.S. political influence in the Middle East. When he ran against L. Johnson in the primaries, McCarthy forced Johnson to abandon his campaign for re-election and headed the anti-war movement within the framework of bipartisan politics. For this, the radicals accused McCarthy of playing "Pied Piper." But the "McCarthy political phenomenon" was unique because he remained an influential figure in spite of his break with the traditional two-party system and the traditional institutions of political power. This is all the more apparent after a reading of the book being reviewed.

McCarthy has good reason to use de Tocqueville as a reference point. He begins his account of historical events and sociopolitical changes in the American society with 1831, when the 25-year-old Frenchman took his trip through the United States of that time. The trip resulted in three books by de Tocqueville, one of which--"Democracy in America"--is the most famous and most widely quoted work on American social and political history. The structure of McCarthy's 11-chapter "America Revisited" copies the structure of de Tocqueville's study: The author discusses the events described by Tocqueville and then presents his own contrasting description of America in the second half of the 1970's.

Without any doubt, McCarthy's book is a critical portrait of the United States today. The recipes he provides, however, mainly boil down to appeals for the preservation of the bourgeois democratic principles set forth in the American Constitution and for the eradication of the sociopolitical ailments engendered by the monopolistic stage of American capitalism. The author does not see any model socioeconomic structure in the contemporary world that might serve as an example for the United States, but the rhetoric of his conclusions does not fit in logically with the alarming statistics he cites, for example, in his chapters about the Indians and the black Americans.

In spite of all the radicalism permeating the strictly documentary portion of his narrative, McCarthy displays the philosophical detachment of an unconcerned bystander who calmly observes the invariability of human nature--a source of good as well as evil. This is the reason for his constant comparisons of the contradictory personality features of certain individuals: In the chapter on the law, the modest Abraham Lincoln accepts negligible fees for legal services, but the same Lincoln--as a commander of an Illinois company of militia--suppressed a demonstration by Indians who were fighting for their rights. President Andrew Jackson, who still personifies the Democratic style of leadership for Americans, is contrasted to the same Andrew Jackson who actively encouraged the policy of forcefully evicting the native inhabitants of America from their native lands.

A few symbolic gestures, such as the recent return of a few thousand acres of land to the Indians, have been virtually the only response by the American Government, as McCarthy points out, to the policy of genocide in the treatment of the native Americans. The author has much to say about the Indians' present struggle to defend their disregarded rights, the Indians' armed confrontations with the authorities, particularly on the reservation of Wounded Knee, and their numerous appeals to the U.S. courts.

"Racism," McCarthy writes, "continues to be the most serious and difficult problem in America" (p 50). The economic and social status of the black population testifies that black Americans have still not become full-fledged members of society. McCarthy also repudiates partial solutions to the racial problem, such as "busing" (the transport of schoolchildren to other schools on buses for the purpose of achieving desegregation), which is still the cause of so much disagreement.

Black Americans make up only 11 percent of the U.S. population, but, as E. McCarthy points out, around half of the people incarcerated in American prisons are black. McCarthy also describes the barbarous methods used for the "rehabilitation" of prisoners, such as shock therapy, drug experiments, etc. He makes an appeal for the immediate reform of American corrective institutions.

The U.S. economy has become one of the powerful factors perpetuating social and economic inequality in the United States, McCarthy writes. In spite of the insignificant reduction in the number of persons with an income below the official poverty level as a result of a few social measures taken by the government between 1959 and 1976, a significant part of the population is still poor. At the same time, McCarthy agrees with the theory of "limited economic growth," since, in his opinion, the increasingly noticeable shortage of natural resources must be taken into account.

McCarthy describes the contemporary American social system as "corporate feudalism," and says that it is most graphically reflected in the monopolization of the mass media. The author insists that control over the press, radio and television must be decentralized.

McCarthy's criticism sounds most convincing in those sections of the book where he examines areas within his professional competence: problems in American politics, presidential authority and bourgeois democracy. The two-party system, which, incidentally, "was not contemplated at the constitutional convention" 200 years ago, McCarthy writes, has completely outlived its usefulness and has begun to impede the political development of the nation. He draws a portrait of the Democrats' "compromise" candidate--J. Carter--who, in McCarthy's words, "made his way along the nomination trail by submitting that he was slightly more or less than his immediate opponent--less extreme than George Wallace, militaristic but not quite as militaristic as Senator H. Jackson, less liberal than Congressman M. Udall, younger than Senator H. Humphrey and older than Governor E. Brown of California" (p 177).

Some of McCarthy's critical remarks, including those made in reference to the partial government financing of presidential campaigns, which represents, in his opinion, another step in the continuous bureaucratization of political institutions, also chip away at the liberal reformist positions of some progressive organizations, such as Common Cause.

McCarthy presents a list of essential reforms, including the elimination of the vice-presidency and the cancellation of the restrictions on the length of presidential terms. The institution of the presidency, he believes, must be strengthened by means of a precise definition of presidential authority. In the absence of this, the increasing independence of Congress will lead, he writes, "not only to unconstitutional government, but also to less effective government" (p 200).

McCarthy has taken a critical look at some of the problems of American society from the vantage point of a politician who has long been aware of the flaws in American bourgeois democracy. In this respect, "America Revisited" is of considerable interest.

Survey of Tactical Nuclear Power

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 pp 122-124

[Review by V. F. Davydov and N. S. Seregin of the books "Tactical Nuclear Weapons: An Examination of the Issues" by W. R. Van Cleave and S. T. Cohen, New York, Crane Russak and Co., Inc., 1978, VIII plus 119 pages, and "Tactical Nuclear Weapons: European Perspectives," London, SIPRI, 1978, XIV plus 371 pages]

[Text] In recent years, heated debates have been going on in the United States over problems connected with the use of nuclear forces in regional conflicts.

In connection with this, a comparative analysis of the ideas of opposing currents is of definite interest. This would make it possible to gain a clearer understanding of the nature of the debates over one of the most important aspects of international security. The first of the books we are suggesting to the reader was written at the request of a NATO nuclear planning group. Its authors are prominent American experts. W. Van Cleave is the head of the department of defense and strategic studies in the School of International Relations of the University of Southern California. He also serves as an unofficial Pentagon counselor. S. Cohen, a nuclear physicist who is often called the "father of the neutron bomb," also constantly advises the military establishment. He has been studying tactical nuclear weapons for more than 25 years.

The purpose of this book was to reveal the shortcomings in NATO's tactical nuclear planning, aid in its improvement and enhance the effectiveness of tactical nuclear forces.

Van Cleave and Cohen state that the "underestimation" of the potential of tactical nuclear weapons in the end of the 1950's and the beginning of the 1970's caused the United States to begin to lose its priority in this field and weakened NATO. They both give "hawk" Senator S. Nunn credit for initiating new programs in 1974, intended for the further rapid development of NATO tactical nuclear forces. This decision, in their opinion, was a logical consequence of the evolution of U.S. and NATO tactical nuclear forces. During the initial period after the creation of the nuclear weapon, Van Cleave and Cohen point out, it was believed that this weapon would only be used as a strategic device. At the height of the cold war, when Brigadier General G. Loper was ordered to be prepared to deliver a "limited" nuclear strike, he replied: "Show me how to use this weapon for tactical purposes. It is not a tactical weapon" (p 4).

Soon afterward, however, the construction of U.S. and NATO tactical nuclear forces began in Western Europe. John Foster Dulles, then secretary of state, openly declared the "coming of the tactical nuclear era."

At the beginning of the 1960's, when the Kennedy Administration was in power, previous theories and military policies were reassessed. The doctrine of "flexible response" became the chief U.S. foreign policy doctrine. The theory of non-nuclear local warfare took the fore. The authors feel that this was a mistake. They demand that a serious campaign be launched to combat the incorrect, in their opinion, thinking connected with the underestimation of tactical nuclear potential. They criticize the position taken by such prominent American experts as P. Warnke, A. Enthoven and M. Halperin, who believe that the number of U.S. nuclear warheads in Western Europe can be considerably reduced (pp 87-88).

It is true that this kind of reduction would be radically contradictory to the theory of "limited" nuclear warfare, advocated by the authors. In essence, they maintain that this theory should not only be regarded as a fundamental theory in political circles and military headquarters, but should also occupy the leading position in the curricula of all American military academic institutions. This, according to the authors, will fill the "intellectual vacuum" (p 91). The United States and NATO, the authors write, have no doctrine regarding the development and possible use of tactical nuclear weapons. Van Cleave and Cohen further state that NATO expenditures on the development of new types of tactical nuclear weapons are minimal. In corroboration of this hypothesis, they quote a statement by former U.S. Secretary of Defense J. Schlesinger: "Almost all of the funds we spend on the maintenance of forces of all types are used for conventional weapons, and not for the preservation of our tactical nuclear potential" (p 61). The authors call for the quickest possible modernization of systems and types of tactical nuclear weapons and the improvement of nuclear bases and storage facilities. According to the authors, since NATO strategy was worked out for several years on the basis of the erroneous belief in the possibility of non-nuclear military conflicts, it fettered the initiative of senior U.S. and NATO officers and fostered mistakenly secure feelings in officers of the middle and junior ranks.

In essence, the authors are demanding not only a sharp increase in appropriations for the development of U.S. and NATO tactical nuclear forces, but also the elaboration of new doctrines and theories regarding the use of nuclear weapons in possible future local conflicts.

The problem of nuclear weapons in Europe is investigated from another vantage point by the scientists from nine countries who participated in the international conference on "Tactical Nuclear Weapons," convened by the Stockholm International Peace Reserch Institute (SIPRI) in 1976. Their reports make up the basis of the book entitled "Tactical Nuclear Weapons: European Perspectives." Almost all of these authors conclude that the use of tactical nuclear weapons in Europe would create as much risk of nuclear catastrophe as the use of strategic weapons. They point out the urgent need for concrete steps to control, limit and reduce tactical nuclear weapons in Europe and considerably modify NATO military doctrine.

Cornell University (United States) Professor M. Leitenberg presents a great deal of factual material to prove that the possibility of using tactical nuclear weapons is now part of many American theories concerning the conduct of military activity on the European continent. In his opinion, one of the Pentagon's main arguments in favor of providing NATO with tactical nuclear weapons was the assertion that the Warsaw Pact nations had allegedly achieved superiority in conventional forces. All of the attempts of sober-minded American politicians to reduce the U.S. "nuclear presence" in Europe in order to limit the possibility of nuclear confrontation have invariably been resisted by NATO military bosses, who allege that this step would weaken the military positions of the West and increase the probability of military conflict in Europe. The many facts and opinions gathered by M. Leitenberg unequivocally testify that the Pentagon's course toward the buildup of nuclear weapons in Europe was accompanied by the deliberate and constant exaggeration of the strength of the Warsaw Pact nations and widespread rumors about the propagandistic myth of the "threat from the East" (pp 23-26).

Professor M. Mil'shteyn (USSR) extensively analyzes the risk involved in the attempt by Western military circles to turn the nuclear weapon into an effective instrument of warfare by increasing its accuracy. This kind of modernization, according to NATO military strategists, will supposedly limit the scales of nuclear conflicts and reduce the probability that strategic nuclear forces will be used. In connection with this, Mil'shteyn stresses that this line of thinking is fundamentally erroneous: "Actually, more highly perfected tactical nuclear weapons will not only fail to reduce the danger of nuclear war, but, rather, will sharply increase this possibility." The gradual eradication of differences between nuclear and conventional weapons will tempt the military to resort to nuclear weapons more often for the attainment of certain tactical advantages on the battlefields, and this means that a "tactical conflict" could grow into all-out nuclear war (p 172). This view is shared by Yugoslavian scientist O. Shukovich, Finnish expert J. Mittenen, SIPRI Director F. Barnaby and other contributing authors.

In his analysis of the military doctrines envisaging the first use of nuclear weapons, F. Barnaby proves that they are irrational, as they are basically intended "to save Europe, but actually presuppose its total destruction." Barnaby feels that if the fingers of those who adhere to these doctrines should reach the trigger, they might contribute to nuclear catastrophe (p 213). In his opinion, various proposals by military experts concerning the creation of special NATO nuclear forces for Europe, regardless of how appealing they may look from the vantage point of military advantage, suffer from a "fundamental defect" because they envisage the possible use of tactical nuclear weapons. The main objective, however, consists in broadening and reinforcing the watershed between military actions involving the use of conventional and nuclear weapons--that is, reducing the danger of any and all nuclear conflicts (p 219). Pittsburgh University Professor J. Coffey recommends that the possibility of reducing tactical nuclear weapons in Europe be investigated. He feels that the present military balance of NATO and Warsaw Pact forces can be maintained on a lower level. In his opinion, one of the main objectives of tactical nuclear arms control is the creation of a climate of mutual trust between the West and East. Although Coffey believes that the Soviet proposal concerning no first use of nuclear weapons in Europe is now unacceptable to the NATO countries, he nonetheless appeals for a higher "nuclear threshold" and the delineation of specific geographic zones with no nuclear presence whatsoever (p 201). His views reflect the attempt being made by several Western scientists--although not consistently enough as yet and often timidly--to begin the practical analysis of Soviet proposals concerning ways of reducing the risk of "nuclear confrontation" between the two blocs.

This book, published by SIPRI, testifies that representatives of the scientific community in the European countries are seriously disturbed by the desire of some military leaders in the NATO countries to legitimize the deployment and possible use of nuclear weapons on the European continent.

American Banks in World Markets

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79
pp 124-125

[Review by A. A. Movchan and D. Ya. Penzin of the book "Amerikanskiye banki na mirovykh rynkakh" by L. S. Khudyakova, Moscow, Nauka, 1979, 191 pages]

[Text] On the basis of abundant factual material, L. S. Khudyakova reveals the main reasons for the more active foreign expansion of American banks in the 1960's and 1970's and its basic characteristics. The author describes the international activity of American banks in all its diversity, basing her discussion on a thorough analysis of the overseas practices of leading U.S. banking monopolies.

Leading U.S. banks make extensive use of the resources of the Eurodollar market as their financial base. This market corresponds to the nature of international monopolies, including banking monopolies, because, in the author's opinion, it is "supra-governmental" in character and is therefore not subject to control by the national governments of the capitalist countries. The author conclusively proves that the use of the advantages of the Eurodollar market allows leading U.S. banking monopolies to reinforce their positions not only in the world market, but also in the American money market (p 120).

The increasing financial power of international banks has made them a factor influencing the status of international transactions in the capitalist world. This was quite clearly demonstrated during the period of currency upheavals in 1971-1973, when the American monopolies themselves were the principal speculators against the U.S. dollar. This, as the author correctly points out, provided the latest demonstration of the cosmopolitan nature of monopolistic capital, whose "allegiances lie whethever profits are highest" (p 134).

The author demonstrates how the activity of international banks is coming into conflict more and more with the objectives of national state-monopolistic economic regulation in the United States and other capitalist countries. The author is also correct in her assertion that it was precisely the support of the American Government that allowed national banking monopolies to engage in broad-scale foreign expansion.

American Film Criticism

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 10, Oct 79 p 125

[Review by N. V. Savitskiy of the book "Na ekrane Amerika," compiled and prefaced by I. Ye. Kokarev, Moscow, Progress, 1978, 452 pages]

[Text] This book is a collection of articles by leading U.S. film critics, published in four annual anthologies of the National Society of Film Critics. It includes 80 reviews of the most notable American motion pictures of the 1970's. This is the first time in the history of Soviet art criticism that an attempt has been made to present the opinions of prominent American critics in a Soviet collection, and this is the reason for the unique position of this work in relation to other books on foreign cinema.

Neither the contents of the collection nor the scientific value of this work, however, is limited to its abundance of informative material, intended for the general reading public and unique in its own way. Because the compiler intended not only to thoroughly elucidate, but also to analyze, from the standpoint of Marxist sociology and aesthetics, the total set of complex and contradictory phenomena characterizing American film-making today, he wrote introductory articles for each section and his own comments on the reviews of the most notable movies, which have justifiably been given the most attention in the United States.

In their articles, the American authors analyze the films "Love Story," "Woodstock," "Joe," "Five Easy Pieces," "Scarecrow," "Catch-22," "M.A.S.H.," "Patton," "Soldier Blue," "The Clockwork Orange," "Straw Dogs," "Cabaret," "The New Centurions," "The Godfather," "The Last Picture Show," "The Way We Were," "Paper Moon," "Sounder," "The Exorcist" and others, and examine the creative activity of the directors who gained prominence in those same years. The names of Arthur Penn, Peter Bogdanovich, Sydney Pollack, Francis Coppola, Robert Altman and others are associated with the phenomenon of the so-called "new Hollywood," which has gone through the third stage of the postwar crisis in American film-making. But the chronology of the book is broader. The introduction to the collection represents a brief but adequate historical survey of 30 years in the development of U.S. film-making with an analysis of all the main stages of this development.

8588
CSO: 1803

JPRS 75016

28 January 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 11, November 1979

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

50272 101

REPORT DOCUMENTATION PAGE	1. REPORT NO JPRS 75016	2.	3. Recipient's Accession No
4. Title and Subtitle USSR REPORT USA: ECONOMICS, POLITICS, IDEOLOGY, No. 11, November 1979			5. Report Date 28 January 1980 6.
7. Author(s)			8. Performing Organization Rept. No
9. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201			10. Project/Task/Work Unit No 11. Contract(C) or Grant(G) No (C) (G)
12. Sponsoring Organization Name and Address As above			13. Type of Report & Period Covered 14.

15. Supplementary Notes

Translation of the monthly, SShA: EKONOMIKA, POLITIKA, IDEOLOGIYA, published by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences, Moscow. No. 11, November 1979

16. Abstract (Limit: 200 words)

The report contains articles by Soviet public figures, Americanologists, and others, on Soviet-American relations and on political, military, economic, scientific, technological, and other aspects of life in the United States and Canada.

17. Document Analysis a. Descriptors

United States
Canada
Sociology
Economics
Geography
Propaganda

b. Identifiers/Open-Ended Terms

c. COSATI Field/Group 5D, 5K, 5C

18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22161	19. Security Class (This Report) UNCLASSIFIED	21. No. of Pages 132
	20. Security Class (This Page) UNCLASSIFIED	22. Price

(See ANSI–Z39.18)

OPTIONAL FORM 272 (4–77)
(Formerly NTIS–35)
Department of Commerce

JPRS 75016

28 January 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 11, November 1979

Translation of the Russian-language monthly research journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

PAGE

Morality and Ideology as Factors in U.S. Politics
(Yu. A. Zamoshkin, A. Yu. Mel'vil') 1

The United States, the Developing Nations and the Process of Detente
(V. P. Lukin) 16

The Energy Situation and the Administration's New Program
(Yu. I. Rigin) 29

The Olympics and U.S. Athletes
(R. M. Kiselev) 42

The Havana Non-Aligned Summit and the United States
(V. A. Sokolov) 58

Washington Interference in Italian Affairs
(P. A. Vares) 66

The Administration's Science and Technology Policy
(S. K. Geyvandov, G. S. Khozin) 71

Public Opinion and the Election Campaign
(N. P. Popov) 76

Trends in the U.S. Auto Industry*
(N. I. Kistanov, R. A. Mishukova) 84

---

* Not translated by JPRS.

CONTENTS (Continued) Page

The Salt II Debate
(P. T. Podlesnyy).. 85

World Political Science Congress in Moscow........................ 91

United States - Southeast Asia: "New" Approach?
(I. N. Shcherbakov).................................... 99

The "Senator from Boeing"...and from the Mafia?
(V. M. Gevorgyan)....................................... 103

The Execution of Charles Horman; An American Sacrifice*
(Thomas Hauser)... 105

Modeling of Management Decisions*
(Yu. A. Ushanov).. 106

Book Reviews

Post-Mao PRC Economy, by A. A. Nagornyy,
A. B. Parkanskiy.................................. 107
Religion in America, by I. Ye. Zadorozhnyuk.............. 111
Biography of Amon Carter, by D. Ya. Bratslavskiy......... 115
Workings of U.S. Economic Cycle, by Yu. I. Bobrakov...... 116
American Continental Policy, by Yu. K. Krasnov........... 117
Conference on American Studies of U.S. Foreign
Policy, by T. A. Bychkova............................ 118

Council on Foreign Relations
(I. Ya. Kobrinskaya).................................... 120

---

* Not translated by JPRS.

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY
No 11, November 1979

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo Nauka

Place of Publication : Moscow

Date of Publication : November 1979

Signed to press : 10 October 1979

Copies : 38,000

COPYRIGHT : Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1979

MORALITY AND IDEOLOGY AS FACTORS IN U.S. POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 3-15

[Article by Yu. A. Zamoshkin and A. Yu. Mel'vil']

[Text] Politics, morality and ideology, which are ultimately reflected in the objective tendencies, contradictions and problems of concrete history, the dynamics of socioeconomic structures and the interests of social classes and groups, are relatively independent in their development and interact with one another intensively. The actual practice of politics gives rise to certain changes in the sphere of ideology and morality. In turn, processes occurring in this sphere affect policy. The motivation and purpose of political actions cannot be comprehended unless the moral and ideological factor is taken into account. This factor also performs the functions of substantiating, rationalizing and justifying (or "legitimizing") political aims and methods.

Some aspects of the actual functioning of ideology and morality in the concrete system of political relations in the United States are examined in this article. These include the ideological and moral consciousness, which does not exist merely in the form of theoretical constructions, but is also embodied in contemporary U.S. politics, particularly in U.S. political activity in the international arena. The thorough examination of this aspect of analysis is directly in line with the objectives set forth in the decree of the CPSU Central Committee "On the Further Improvement of Ideological and Political Indoctrinational Work," which stresses the need to study "the characteristics and methods of the present ideological struggle in the international arena."[1] Morality and ideology affect domestic as well as foreign policy. Their influence is even felt in the very method used for distinguishing between external and internal aspects of government policy, foreign and domestic policy goals and the means of their attainment. In a certain sense, the distinctions drawn between domestic and foreign policy are relative. There is a deep-seated interrelationship, extremely complex and contradictory in nature, between foreign and domestic spheres of politics.[2]

The correlation and struggle between classes and social groups determine the essence of the political system and the principal aims of domestic and foreign policy. At the same time, social groups, organizations and institutes, representing the direct subjects of foreign and domestic policy, can constitute power systems with differing effects on various political spheres. The differences in the nature and level of the interests expressed by certain groups, social strata and organizations in the foreign and domestic spheres are revealed. Since these differences are acknowledged and expressed in ideological and moral forms, a look at ideology and morality is essential to an understanding of the interests of particular groups and organizations--in relation to all the spheres of their political activity.

It should also be noted that each specific nation conducting its own foreign policy must now interact with other countries representing different social, economic, political, ideological and moral systems. In the international arena, each particular nation must deal with a group of objective conditions that are sometimes profoundly different from the conditions of its domestic life. This indicates that the foreign and domestic policy spheres are not only connected by internal unity, but can also conflict sharply during certain stages in the development of the particular country.

These conflicts can be studied not only through the determination of the differences in domestic and foreign policy situations and actions, but also through an analysis of ongoing processes in the sphere of morality and ideology.

Historically, the moral and ideological factor has always played an extremely significant role in U.S. domestic and foreign policy. Its influence has been felt in spite of the inherent national characteristic of pragmatism, in relation to which moral and ideological considerations often represented specific supplements and compensations. The concept of national ideals--regardless of their specific interpretation and the conclusions drawn from this--has always occupied an important position in American politics. Appeals for the observance of political ideals have been typical of all dominant U.S. political positions--from the radicals to the liberals and conservatives. Besides this, the traditional American way of thinking presupposes the universality and comprehensive significance of American national ideals and values and considers them to be everlasting and suitable for all countries and nationalities. American political forces often refer to common, "universal" ideals and values, although they propose different, and even contradictory, methods for their political implementation. They are used to justify isolationist views, demanding the protection of the American way of life against "destructive outside influences," and expansionist appeals to spread these "ideals" by any means--all the way to direct intervention in the internal affairs of other countries.

Although the moral and ideological factor has always played a significant role in American politics, its influence in domestic and foreign politics is now even stronger. Much has been said in recent years about the process of the "reideologization" of politics, and most of this attention has been focused on the need to reinforce the influence of morality and ideology, reflecting and personifying the peculiarities of the domestic political situation, on U.S. foreign policy. The admission made by American political scientist J. Osipov is indicative in this respect: "It would be absurd to hope that diplomacy could be conducted as if domestic ideology did not exist."[3]

The attitude toward stronger moral and ideological influence in U.S. politics, particularly foreign policy, is dual in nature. On the one hand, the intrusion of ideology and morality, reflecting the peculiarities of the domestic situation, into the foreign policy sphere is frequently regarded negatively. Ample proof of this can be found in H. Kissinger's work "American Foreign Policy," in which he speaks of the undesirability of injecting the ideological component, engendered by the internal conditions of society, into foreign policy. This is believed to have a deforming and distorting effect on foreign policy. Kissinger proposes the following: Domestic political relations are based on a particular ideology; in those cases when nations with different ideologies are encountered in the foreign political arena, ideological factors turn into a kind of "static" that disrupts the "normal" course of international relations.[4] On the other hand, the significance of the ideological factor in foreign policy is now unconditionally acknowledged by several American authors. The forms of ideology that have become firmly entrenched in the United States are regarded as a "strategic weapon" that can be highly effective, particularly in the struggle between the two systems.[5]

Among the more characteristic features of the new situation that has taken shape in the United States in the 1970's is the stronger and more complex relationship between domestic and foreign politics and the much more important role of morality and ideology, which mediate this relationship. Foreign policy interests now include many issues that were regarded as aspects of domestic life a relatively short time ago. Energy difficulties, the exploitation of natural resources--these and other phenomena reminded the Americans of the close relationship between foreign and domestic politics. In the past, the Americans often believed that the United States was invulnerable to direct military threats and that it had priority in the area of strategic weapons. Questions of national security, they believe, were problems to be solved within the nation. Today, however, now that the socialist community has become more powerful, now that nuclear parity has been established, and now that the question of preventing nuclear war has taken on a global nature, it is clear that the problem of security is a foreign policy issue and that its resolution will necessitate negotiations and agreements with the USSR and the other socialist countries.

The appearance of a new group of problems, connected simultaneously with the domestic and foreign policy spheres, has been noted by many American authors. Prominent foreign policy theoretician B. Manning has even proposed that the new term "intermestic"--that is, literally "international-domestic"--be used to describe them. The United States is now facing fundamentally new and difficult moral and ideological dilemmas, and nothing in its past history has prepared it to deal with them. They are the result of the sharply increased economic and political interdependence[6] in the world community, which is made up of states with fundamentally different systems, not only in the spheres of economics and politics, but even in ideology and morality.

The United States must now deal with a world, which, as Z. Brzezinski has acknowledeged, "does not correspond to the 19th-century beliefs of a single world system"--beliefs that he calls "unrealistic" and "absurd."[7] The present world situation is distinguished by increased social dynamism and by rapid, profound and contradictory changes in all spheres of social life. In this world of interdependence, destabilizing tendencies are also gaining strength, while the stability of international relations is simultaneously more essential and more difficult to achieve. In this complex and contradictory situation, the status and role of the United States in the world arena are changing considerably. It is no coincidence that some American authors, who have grown accustomed to seeing the United States as the "dynamic center of the universe," are reluctantly acknowledging that this nation is turning into an "ordinary great power."[8] It is difficult for the mind trained in the ideological traditions of the "American age" to accept this new situation and, in particular, to become reconciled to the relative decrease in American power. "We are no longer Gulliver surrounded by Lilliputians. As for tomorrow's international agenda, the United States will no longer be able to get what it wants simply by asking for it. In negotiations, it is often necessary to agree to difficult bargains, to be satisfied with the outcome and to even accept losses. History has taught the Americans nothing about this kind of foreign policy,"[9] B. Manning writes.

The new situation in international relations is facing the United States, in a new way, with the need to work out a comprehensive view on the development, interdependence and contradictions of today's world and, consequently, to create a comprehensive system of ideology and morality in line with the demands of contemporary history. Today the pragmatic, purely situational approach to individual problems cannot be relied upon. Under these conditions, the role of theoretical work in the sphere of ideology and morality is gaining importance. The fundamental goals and long-range prospects of domestic and foreign policy must be reassessed. The United States must also take another important aspect of contemporary world development into account. Economic and military power still has influence even under present conditions, but opportunities for the use of force to ensure authority within the nation and to influence the course of world development and international relations are becoming increasingly limited. The increasing complexity and interdependence in contemporary world politics and the power system is substantially changing the role of the power factor in politics.[10]

The objective changes that are taking place in the world are giving rise to increasingly intense ideological struggle within the United States itself. The struggle is leading to the development of a variety of viewpoints and ways of thinking, which often have their own internal logic that is far from always directly and obviously consistent with ongoing changes in world politics. The change in the United States' status in the world and its dependence on other countries in a number of significant economic and political areas are evoking a variety of ideological, moral and psychological reactions: from the realistic acceptance of these changes to the traditional desire to assert, at any cost, the American "political will" and return to foreign policy methods based on force. In the United States today, various ideological, moral and psychological attitudes either combine to make up externally similar but internally profoundly contradictory and unstable ways of thinking or come into acute and open conflict with one another.

The increasing importance of moral and ideological considerations, which are grounded in past history but have been preserved in traditional ways of thinking, often causes Americans to perceive a distorted picture of the actual situation in domestic and foreign policy and see it in internally and externally contradictory forms. This, in turn, gives rise to moral and ideological dilemmas that are difficult for the bourgeois mind to resolve. They reflect differences of opinion and crisis processes in ideology and morality as well as politics.

One of the United States' most prevalent--and it is typical of precisely this nation--methods of perceiving and interpreting new problems and crises in foreign and domestic policy is reflected in the unique moral and ideological dilemma of the present day: "Democracy" or "empire"? Let us examine this dilemma; this will aid in a discerning examination of the forms in which the prevailing way of thinking in the United States now perceives actual changes taking place in the internal life of the society and in international relations in the 1970's.

In discussions of the conflict between "democracy" and "empire"--mutually exclusive ideological and political aims--many American authors who are disturbed by this difference focus primarily on a broad range of unsolved problems: In domestic policy they are connected with the increasingly acute crisis of faith in government and bureaucratic institutions, with the Watergate affair and with the growth of the repressive system in the nation; in foreign policy they are connected with the consequences of the aggression in Vietnam, the illegal activities of secret agencies abroad, the declining international prestige of the United States and so forth. In our day, Americans frequently express concern over the deep-seated, dangerous conflict between the demands, which have been persistently voiced for decades now, for the preservation and development of democracy and the direct opposite of these demands--the "empire" approach to other countries, nationalities and international relations as a whole, as well as conservative foreign policy, which is aimed at the establishment and preservation of an outside "empire."[11]

This is a real conflict. It was not invented by American bourgeois ideologists, but is rooted in a fact repeatedly pointed out by V. I. Lenin, when he stressed that imperialism is essentially hostile toward democracy. Therefore, the growth of democratic demands is an objective tendency that is contrary to imperialism. The actual conflict, however, can take the form of ideological positions with different purposes and leading to different political conclusions. This is the reason for the differences of opinion revealed during the course of debates over the "democracy"-"empire" dilemma.

One of the formulas set forth during the course of these debates was proposed by D. Bell, in particular, in the book "The Cultural Contradictions of Capitalism." Bell had to admit the deep-seated contradiction between democratic and "imperial" aims. The "imperial" role, Bell says, was still appropriate for the United States during the cold war; because of this, it became a society that was internally "mobilized" for struggle against world socialism. This "mobilization" of society on the pretext of an imaginary global external threat and to the tune of ambitious foreign political slogans (such as, for example, the notorious appeal to "rid" the world of communism) creates, to some extent, internal moral and ideological unity. Naturally, internal differences unavoidably arise, but they are artificially assigned secondary status.

Bell feels that the United States' position after World War II, when the nation was attempting to create a world "empire" under its aegis, is comparable to the situation of Athenian democracy during a period of internal crisis (after the war with the Medes, when Athens was having problems with Sparta, which was equivalent to the United States' problems with the USSR in the context of Bell's arbitrary analogies). Bell goes on to say, however, that "the relation between democracy and empire is especially trying, and increasingly one can see that the imperial role is not one that is fitting, in political structure and national style, for the United States."[12]

Let us disregard the conditional and abritrary nature of Bell's exercises in historical comparisons. The important thing is that although Bell is obviously idealizing the U.S. political structure and the prevailing style of American political and ideological thinking, he cannot deny that a genuine conflict arose between the "imperial" foreign policy and the democratic aims of many Americans--aims which were loudly expressed in the late 1960's and early 1970's, during the period of upsurge in democratic protest movements within the United States.

Many authors are now expressing doubts about the suitability of "imperial" foreign policy, based on "imperial" ideology and morality, for America, although they are acting on different motives. Some are disturbed by the crisis of "imperial" foreign policy and hypothesize that the political and ideological emphasis on democracy within the nation is poorly "adapted" for the attainment of "imperial" foreign policy goals.

Other American authors are primarily worried about the fate of democracy in their own nation. They correctly stress that "imperial," rabidly anticommunist and militarist foreign policy, which rests in other countries on overtly antidemocratic military dictatorships, can increase the strains of antidemocratic forces and tendencies in the internal life of society.

The origination of this debate also reflects the fact that "imperial" foreign policy, which is backed up by dictatorial regimes in other countries and actively resorts to the use of force, has come into decisive conflicts with the mass democratic and national liberation movements throughout the world and the increasing struggle of many millions of people in various parts of the world for genuine freedom and democracy.

There is also another important aspect of the matter that must be borne in mind. The focus in U.S. domestic life has been on questions of democracy interpreted primarily in the traditional liberal-individualistic tone: the violation of the constitutionally and legally established rights of the American individual by the authorities and secret agencies, and authoritarian bureaucratic methods of exercising power. Much less attention has been given in the United States to aspects of democracy that have been developed more fully in nations fighting for liberation from neocolonial orders, dictatorial regimes and exploitative systems in general. In these countries, primary significance is attached to the problems of the mass-scale, organized democratic movement, which unites millions of people and pursues the goal of profound social reform.

This unique view of democracy keeps many American authors from developing a moral and ideological outlook on the democratic struggle that would correspond to the socioeconomic aspirations of the American workers and would ensure the massive reorganization of foreign policy in the direction of respect for the democratic demands of popular masses in other countries. Nonetheless, even the Americans are now realizing that there are certain differences in the ideological interpretations of democracy within the United States and in other countries of the world. In connection with this, the dilemma of "democracy" vs. "empire" is once again being interpreted and expressed in different ways--with a view to its diverse foreign policy and domestic policy yardsticks. The most important interpretations of the issue are the following. Firstly, the thesis has been set forth that "empire" undermines democracy (even in its official, limited-liberal form) within the United States itself. Secondly, it has been suggested that "imperial" ambitions are impeding the increasingly demanded democratization of domestic political regimes in the countries that are objects of U.S. hegemonistic aims. Thirdly, it has been noted that the needs of "empire" are contrary to the development of truly democratic and egalitarian relations between different states, including those belonging to different social systems.

The gradual recognition of the contradiction between "democracy" and "empire" is undermining one of the postulates that has been stubbornly cherished for a long time in American political thought--the thesis of the universality of the national ideals corresponding to American tradition (primarily the ideals of democracy) and their suitability for all countries and nationalities. Many Americans were surprised to learn that ideals other than those in the United States were developing and being defended in other countries. Besides this, the universality and realization of many traditional "American ideals" were even questionned in the United States itself. The sizable gap between the values and habits inherited from past stages of national development and the current domestic and foreign political situation became more evident.

The new situation, which resulted from the moral discrediting of American imperialism in the world arena and the characteristic bourgeois interpretation of the "way of life" in the United States, is being uniquely reflected in ideology. For example, warnings about, as Z. Brzezinski calls it, the "philosophical isolation" threatening America are being issued (S. Hoffman talks about a "breach of values" in this same connection). In this form, a real fact is being perceived: The basic tendencies of worldwide social, political and ideological development are not only inconsistent with traditional American values, but are often even contrary to them. In reference, in particular, to the values of individualism and free enterprise, Z. Brzezinski had to admit: "Today traditional American values... are being argued at home and, to an even greater degree, abroad, as a result of such phenomena as statism[13] and the emphasis on collectivity (national and social), social equality and universal well-being."[14] The idea of an isolated America is being set forth with increasing frequency in the press and in statements by many American authors; it is still hanging on to the old ideals of bourgeois individualism and free enterprise, the essence of which has already been excised by modern history.

In the ideological, moral and political debates now being conducted in the United States over the conflict between "democracy" and "empire," another important aspect is becoming apparent. Concern about the problems of democracy is also reflected in the desire of various segments of the American public to participate more directly in the making of foreign policy decisions, which are affecting their future to an increasing degree. Certain segments of the U.S. ruling class cannot afford to ignore these desires today. The current administration had good reason to partially build its 1976 campaign around the slogan of returning the foreign policy prerogative to the "American people." By tradition, the function of conducting foreign policy has been regarded as the responsibility of the executive branch in the United States. The increasing mistrust in the "imperial presidency," which took on clear outlines after Vietnam and Watergate, has caused the American public to want more influence in foreign policy-making, and this is leading away from the previous "automatic approval" of the majority of the administration's foreign policy initiatives.[15]

Naturally, the dual nature of new phenomena in the attitude of the American public toward foreign policy must be taken into consideration. On the one hand, there is no question that current problems in U.S. foreign policy, in their interaction with domestic problems, are so complex and so vitally important that public opinion is afraid to entrust their resolution to a restricted foreign policy-making elite. On the other hand, however, it would be just as dangerous to pay attention to all fluctuations in U.S. public opinion: It is frequently extremely contradictory here, it is prey to various illusions and fears and it can be deliberately manipulated by various groups. This can introduce a significant element of instability into U.S. relations with other countries and into the processes of the conclusion and observance of agreements.

We will now take stock and summarize the basic ideological views of American authors who have investigated the contradiction between "democracy" and "empire." The following position is characteristic of liberal democratic circles: The resolution of the conflicts between "democracy" and "empire" will be made possible primarily through the substantial restriction of the second aspect--that is, the emphasis on "empire."[16] This position is often limited by the traditional liberal interpretation of democracy and the exaggeration of the importance of democratic elements in domestic political life in the United States today. Nonetheless, it contains certain positive elements. Rightist groups in the United States, dreaming of a return to the cold war, now advocate the opposite solution to the problem of the contradiction between "democracy" and "empire": They insist on the need to seriously limit democracy within the nation so that it will not interfere with their "imperial" and militaristic projects. These forces are not only calling for the establishment of authoritarian "law and order" in the nation and the eradication of bourgeois democratic gains, but are also putting America in real danger of worldwide nuclear conflagration.

Along with the extreme viewpoints, various alternative eclectic, intermediary positions are now becoming widespread in U.S. ruling circles. They are having considerable influence on American politics and on the ideological climate in the nation. Their common feature is the recognition of the impossibility of resolving this conflict by means of attaching priority either to "democracy" or "empire." This is giving rise to attempts to make compromises, to take the edge off this conflict and to adapt to it. The forces defending these views are prone to fluctuation: In domestic policy--from the desire for further democratization, on the one hand, and the wish to strengthen the structures and institutions of authority that are characteristic of the United States today (including the authoritarian bureaucratic structures and institutions) on the other. In foreign policy, they fluctuate between realism, an outlook based on detente and the conclusion of mutually beneficial agreements with the socialist countries, on the one hand, and global anticommunism and "imperial" aims, which are still obvious even though they are limited and "cautious," on the other.

An analysis of popular approaches in the United States today to the resolution of foreign and domestic policy problems indicates two approaches that can conditionally be called "pragmatic" and "ideological."

It was the pragmatic approach to international relations that was taken by H. Kissinger in the 1970's when he proposed some limitation of previous "imperial" ambitions and the moralist rhetoric justifying them. "We can no longer hope that moral judgments expressed in absolute terms will meet with widespread support,"[17] he wrote, in reference to the new features of public opinion abroad. When Kissinger said this, he was motivated primarily by a realization of the limited nature of American resources in the international arena and opportunities for the use of force. Politicians like Kissinger had to take the internal situation, which was taking shape in the nation in connection with democratic protest movements, into account whether they wished to or not. In the fear that the ideology of these movements might influence foreign policy, they try to keep foreign policy considerably autonomous in relation to domestic policy, thereby insuring it against the influence of the intense ideological struggle in the United States and reconstructing it according to several purely practical parameters.

There are still influential supporters of this pragmatic position in the United States. But this position is losing ideological credit as the obvious interest in questions of morality and ideology grows in America. The other approach to politics, the supporters of which are striving to solve political problems not only on a purely pragmatic basis, but also with consideration for moral and ideological factors, is becoming more evident.

In this connection, consideration must be given to the influence of another factor that has already been mentioned--the unhealthy dissatisfaction of the American public with the moral bases of Washington policy, both domestic and foreign, and the search for ideological concepts that will provide a more convincing explanation of political crises, suggest new programs and moral principles and indicate ways of escaping the current situation. It is true that various groups have pointed out various ways--both realistic and extremely far from realistic. For example, certain circles have made an attempt to direct outbursts of moral and ideological dissatisfaction into channels convenient for them. They have tried to blame the objectively determined unfavorable domestic and foreign situation on the personal style of leadership of the Republican Administration (the antidemocratism of R. Nixon and the foreign policy pragmatism of H. Kissinger). Public attention has been artificially focused less on the actual deep-seated causes of changes within the nation and in the world arena, which resulted in the failure of U.S. "imperial" ambitions, than on specific conclusions drawn from them, particularly those drawn by Kissinger. In the mid-1970's, Kissinger was frequently accused of "pragmatizing" and "Europeanizing" American foreign policy and repudiating "American idealism." These accusations were made primarily by conservative and traditionalist groups. What alternative did they propose? It appears that the critics were inclined to take an "antipragmatic" stand. Later, however, it became clear that they felt the only cure was a return to the moral and "idealistic" heritage of American tradition, which supposedly was the only possible basis for the recovery of lost prestige in the international arena and alleviation of the "spiritual crisis."

Traditionalist foreign policy moralism tried to compensate in some way for the moral dissatisfaction that was brewing in the United States. Demands for the "recovery of lost influence" in the world arena, however, do not correspond well to the complexity and ambiguity of the problems in American and world politics. In those cases when speculation on the moral and ideological factor in U.S. foreign policy takes on obviously anticommunist features and is also directed against democratic and national liberation movements in other countries, it constitutes a real threat to the national interests of the United States and the entire world community. This was precisely the case when the tendentious and moralistic ideological campaign "in defense of human rights" began to interfere with the strategic arms limitation talks. People in the United States began to recognize this fact. Justifiable doubts arose in regard to the practical political significance of this kind of show of "morality." "It is not easy to define highly complex policy in terms of precise and comprehensive political categories, And it would be risky, just as it was in the past, to compress this complexity into a few simple moral slogans,"[18] S. Hoffman warned. Another American author makes an even more definite statement: "We must not allow our moralizing to stand in the way of negotiations that are vitally important to the existence of all mankind."[19]

Nonetheless, there is still a strong temptation in some American political circles to gain domestic moral and ideological support for some foreign policy ambitions that have been externally modified but are still "imperial" in essence. It is precisely for this reason that the propaganda campaign "in defense of human rights" is still going on today. There is sufficient proof, however, that it cannot serve as a means of ideological unification. On the contrary, it is giving rise to differences of opinion and pointed criticism in some U.S. social and political circles, which--even if for different reasons--have objected to the subordination of foreign policy to moral and ideological slogans that conceal "imperial" ambitions.

We have defined some of the basic parameters of the current ideological and moral debates in the United States, which are directly related to policy problems, particularly the problem of the relationship between democratic and "imperial" trends in domestic and foreign policy. The moral and ideological pitch of the debates is quite pronounced. Even many American authors, however, have admitted that there is "agreement" (or a "consensus") in the nation in regard to the domestic policy and, what is of even greater interest, the foreign policy of the administration. The new international situation calls for responsible foreign policy decisions, the success of which will depend largely on their moral and ideological support within the nation. "The greatest problem for the United States consists in developing a policy that will be supported at home,"[20] S. Hoffman admits. Many American authors have commented that it is precisely in this area that great difficulties and obstacles now exist. After all, this support has been lost and must be recovered. This is the reason for the fairly pessimistic statements that are being made. For example,

J. Chase writes: "We should probably learn how to conduct foreign policy for long periods of time without a single unifying theme on which widespread national consensus can be based."[21]

During the two postwar decades, right up to the end of the 1960's, conditions existed in the United States for the artificial cultivation of an internal anticommunist "consensus." During the cold war, the strong "imperial" executive branch relied on this consensus in its foreign policy initiatives. But the actual price of this frame of mind and emotion was an excessively severe loss: The military-industrial complex became much more powerful, anticommunist hysteria was stirred up, antidemocratic tendencies spread, crises sprang up within the nation, and one foreign policy failure followed another. Besides this, the moral and ideological extremism of militant anticommunism--and its main "explanatory motive" in politics became the mythical evil intrigues of the "enemy" abroad--led to impotence in the face of the dynamic internal processes that were influencing American foreign policy attitudes. According to J. Rosenau, the moral and ideological staticity of the "cold war paradigm"[22] impeded all attempts, even the most timid, to determine the interaction of U.S. foreign and domestic policy factors for a long time.

The internal "consensus" in regard to Washington's foreign policy that took shape during the cold war gradually developed self-destructive elements. It is true that the "imperial" ideology and anticommunism (in the form of the notorious "domino theory") was still compelling American soldiers to die in the jungles of Southeast Asia, but, behind the scenes, they were already laying the foundations for profound schism within the nation. The failure of this aggression helped to reveal the fact that "imperial" anticommunist moral and ideological dogmas were prevailing over the genuine national interests of the United States. America's "Vietnam wound" marked the disintegration of the previous internal ideological "agreement" on foreign policy issues, which, in turn, led to the spread of mistrust and criticism of the administration. Was it these acute domestic crises that were reflected in the dilemma of "democracy" vs. "empire"? In connection with this, the exceedingly important question arises of the role of the moral and ideological factor in the establishment of internal foreign policy "consensus."

Apparently, it is a realistic assumption that temporary psychological "consensus" can continue to be achieved for a specific period of time and within strictly limited bounds. It can be based on more or less popular moods and feelings in the United States that have not taken the form of precise ideological and ethical systems. They can be quite diverse. They can take the form of the fear of worldwide nuclear catastrophe, the fear of an external "enemy," the desire to guarantee personal safety, etc. The amorphous, ideologically vague and vacillating nature of these moods and feelings can result in the support of opposing foreign policy aims. For example, a sense of fear can justify the escalation of military spending and, conversely, lead to the search for realistic compromises and mutually beneficial agreements in the area of strategic arms limitation.

It is understandable that psychological "consensus" that is based purely on emotions could become the object and result of political rhetoric, demagogy and manipulation by the mass media. Some American authors speak of the danger of spontaneous feelings and emotions that are based on the traditional stereotypes of bourgeois thinking (for example, on nationalism, or even chauvinism). They are attempting to limit their scales and introduce elements of restraint and realism. In particular, with respect to foreign policy, appeals are now being made for the recognition and acceptance of existing obstacles standing in the way of ambitious political plans and projects. George Kennan, for example, points out the need for "restraint" in highly complex and potentially dangerous world affairs.[23]

Naturally, the question of moral and ideological public support for the U.S. administration's foreign policy is primarily a question of the nature and purpose of the policy itself and of the content of political practices. Under present conditions, despite the perceptible activization of conservative forces, it would obviously be difficult to say that the majority of Americans are displaying any kind of solid "consensus" with those who are attracted by undisguised "imperial" policy or cold war. On the contrary, the facts indicate that the public supports detente, the Soviet-American negotiations on strategic arms limitation and the development of mutually beneficial trade. If public opinion, however, does not rest on a solid moral and ideological basis, on ideology and morality corresponding to the demands of realism, as we have already pointed out, it can vacillate and be contradictory. Spontaneous mass thinking can demonstrate a failure to keep up with reality, a preference for past illusions and habits and a tendency to become bound up with the traditions of utopianism that are so characteristic of the United States. The situation can also be affected by the failure of processes of theoretical and ideological interpretation to keep up with the actual highly dynamic developmental tendencies in U.S. domestic life and in the international arena. America today is distinguished by the absence of solid and developed traditions of in-depth scientific and theoretical inquiries into ideology and ethics. Prevailing ways of thinking fluctuate between pragmatism and abstract-moralistic utopianism.

The implementation of important political decisions such as, for example, SALT II is difficult to guarantee in the United States if only the spontaneous processes of the development of public opinion are relied upon. The implementation of these decisions depends largely on precisely defined new imperatives that are formulated in terms of ideological and ethical categories. Paramount among these are the recognition of the vital need for peaceful coexistence, the de-escalation of the arms race and respect for the sovereignty of other states, for democratic movements and for the desires of workers and the people of the world. Attempts to solve today's global problems constructively must also be taken into consideration. This is why it is so important to overcome the utopianism inherent in the cultivation of the idea of "America's mission," to overcome the illusion that it is possible to return to the past, to past stages of American history, when there was no parity in the sphere of armaments and the nation was apparently militarily invulnerable. Ideological differences and confrontations still exist in the international arena. The need for detente, however, is underscoring the importance of overcoming the habit of "psychological warfare" and the mentality that justifies interference in the lives of other people.

Therefore, a lasting and mass-scale orientation of American public thinking toward realism in foreign policy will only be made possible by the considerable renovation of the prevailing ideology and moral code in the United States. This will promote recognition and reinforcement of the irreversibility of the process of international detente. The agreements reached in connection with SALT II will play a tremendous--ideological and educative as well as political--role in this process. And the more consistently this practice is employed in politics, the more the Americans will realize the significance of positive foreign policy measures for domestic policy, and the more substantial and profound the positive renovation of the general moral and ideological climate in the United States will be.

FOOTNOTES

1. KOMMUNIST, No 7, 1979, p 18.

2. Many American authors have recently displayed considerable interest in the interconnections between domestic and foreign policy. Nonetheless, they have not been able to propose any satisfactory positive solutions to the problem. As early as 1967, J. Rosenau, one of the most prestigious experts on these matters in the United States, was distressed by the fact that the domestic sources of foreign policy had not been systematically analyzed in the West ("Domestic Sources of Foreign Policy," edited by J. Rosenau, New York, 1967, p 3). But more than a decade later, American political scientist M. Trachtenberg had every reason to complain that the topic had still not been investigated sufficiently (M. Trachtenberg, "The Social Interpretation of Foreign Policy," THE REVIEW OF POLITICS, July 1978, p 328).

3. COMMENTARY, July 1975, p 18.

4. H. Kissinger, "American Foreign Policy," New York, 1969, pp 11-50.

5. W. Tompson, "The Projection of Soviet Power," in: "Defending America: Toward a New Role in the Post-Detente World," New York - San Francisco, 1977, p 24.

6. A. A. Kokoshin, "'Interdependence': Realities, Concepts and Politics," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 1, 1977; A. V. Nikiforov, "'Interdependence' and Global Problems," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 7, 1979.

7. THE NEW YORK TIMES MAGAZINE, 31 December 1978, p 11.

8. A. Buchan, "Tomorrow's America," ORBIS, Spring 1976, p 39.

9. B. Manning, "The Congress, the Executive and Intermestic Affairs: Three Proposals," FOREIGN AFFAIRS, January 1977, p 308.

10. V. F. Petrovskiy, "The Power Factor in U.S. Global Strategy," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 5, 1979.

11. R. Issak, "American Democracy and World Power," New York, 1977.

12. D. Bell, "The Cultural Contradictions of Capitalism," New York, 1976, p 201.

13. In the United States, the term "statism" is used to signify recognition of the dominant role of the state in economics and politics.

14. Z. Brzezinski, "America in a Hostile World," FOREIGN POLICY, Summer 1976, p 73.

15. D. Jankelovich, "Farewell to 'President Knows Best,'" FOREIGN AFFAIRS, No 3, 1979.

16. The "Foreign Policy and the American Democratic System," edited by F. Neal, Santa Barbara, 1976.

17. H. Kissinger, "The Moral Foundations of Foreign Policy," THE ATLANTIC COMMUNITY QUARTERLY, Fall 1975, p 274.

18. S. Hoffman, "Primacy or World Order," New York, 1978, p 227.

19. H. Rabasseire, "Ghosts of the Cold War," DISSENT, Fall 1978, p 382.

20. S. Hoffman, "No Choice, No Illusions," FOREIGN POLICY, Winter 1976/77, p 107.

21. J. Chase, "Is a Foreign Policy Consensus Possible," FOREIGN AFFAIRS, Fall 1978, p 16.

22. J. Rosenau, "Paradigm Lost: Five Actors in Search of the Interactive Effects of Domestic and Foreign Policy," POLICY SCIENCE, December 1973.

23. G. Kennan, "A Current Assessment of Soviet-American Relations," ENCOUNTER, March 1978, p 3.

8588
CSO: 1803

THE UNITED STATES, THE DEVELOPING NATIONS AND THE PROCESS OF DETENTE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 16-26

[Article by V. P. Lukin]

[Text] Since the time of the conclusive victories in the struggle for political liberation, the young independent states in Asia, Africa and Latin America have come a long way. The reinforcement of their political structure, their first, although extremely taxing, successes in economic development, and substantial social reforms have become the objective basis on which the developing countries have been able to considerably augment their role in world politics in the last decade. Countries with a socialist orientation--the vanguard of the struggle of all developing states for a new and more equitable world order--are making a particularly significant contribution to the achievement of these successes.

The "external environment"--the changing balance of power in the world in favor of socialism--has been of tremendous and ever-increasing significance in this historical process.

The dominant international tendency of the present day--the consistent development of socialism and the weakening of imperialism's positions--is reflected in the course of complex confrontation, which does not exclude the possibility of alternating "ebbs" and "flows," and various types of dramatic and complex collisions, which do not, at first glance, appear to have any direct connection to the main tendency. Nonetheless, the simultaneity of the processes by which socialism's positions are becoming stronger in the world, allowing it to progress and to make the idea of international detente a possibility throughout the world, and by which the developing countries are playing an increasingly important role in world affairs is indisputably natural. One of the most vivid reflections of these processes in the first half of the 1970's was the intensive development of the trend toward detente and the virtually simultaneous onslaught of the developing states on the positions of imperialism, taking the form of demands for a new world order and reinforced by an entire series of concrete measures: from an oil embargo to the nationalization of the property of international corporations.

The concrete historical experience of the 1970's was a convincing argument against various types of leftist radical theories, according to which international detente, accompanied by healthier relations between nations with different social structures, and decisive anti-imperialist struggle represent contradictory and mutually exclusive trends. Although the echoes of these arguments can still be heard from time to time in the noisy and complicated discussions of contemporary international politics, the voices of preachers of leftist radical views are being heard less frequently and their arguments have obviously lost their luster. Life has resolutely pushed these theories over to the sidelines of the worldwide discussion of present and future world politics. Experience--the test of the truth--has unequivocally demonstrated the real relationship between detente and the anti-imperialist struggle in general and the movement for national liberation in particular.

One of the most visible and graphic lessons was the defeat suffered by American imperialism in Indochina. The victory of patriotic national liberation forces in this part of the world was made possible by the close connection between socialist and national revolutionary goals and by the vigorous support rendered by the socialist and developing states. And it is a well-known fact that the conclusive successes of Indochinese revolutionary forces were achieved at a time when the most vigorous efforts were being made within the framework of the policy of international detente.

The course and outcome of the war in Indochina clearly demonstrated the possibilities and limits of direct military intervention by imperialism in the affairs of the developing countries under present conditions. It can be said that these possibilities are still sufficiently significant, but they no longer appear unlimited even to overt apologists of politics from a "position of strength." When imperialist circles now plan an interventionist action, they must give more consideration than ever before to not only such factors as the specific internal political situation in the potential object of aggression, the extent of their own economic and strategic interests, geopolitical aspects, their own military capabilities and the expected effect of the action on the domestic political situation in their own country, but also several other considerations. The most important of these is the possible reaction of the Soviet Union and the other socialist states to a venture of this kind. It should be noted that this factor is not equivalent to the automatic refusal of the imperialist states to undertake military expansion in the developing countries. But their observance of the socialist world to judge its reaction and their fear of the possible consequences of the latest expansionist operation means that imperialist circles dare to embark upon such ventures less often.

In 1978, the Brookings Institution, one of the most influential centers of semi-official American political and strategic thought, published a voluminous study of almost 600 pages and gave it the extremely descriptive title "Force Without War: U.S. Armed Forces as a Political Instrument."[1]

The main authors of the book--prominent American political scientist B. Blechman (now assistant director of the U.S. Arms Control and Disarmament Agency) and S. Kaplan--pedantically analyze all of the major incidents involving the "demonstrative" use of armed forces by Washington in the postwar period. Most often, as the analysis indicates, these actions were conducted for the purpose of threatening and blackmailing states that had recently rid themselves of colonial oppresion or were still fighting for liberation. The conclusions of these authors sound quite pessimistic. In the future, "decisionmakers," they write, "should not resort to the frequent or quick use of armed forces for political objectives abroad; these forces should be used only in special circumstances.... Moreover, there are specific dangers in using the armed forces as a political instrument."[2]

As evidence, the authors cite such well-known crisis situations as the invasion of Cuba by mercenaries, the intervention in Vietnam and the show of naval strength at the time of the Indo-Pakistani conflict of 1971. After listing more than 200 cases involving the use of U.S. military strength as a means of exerting political pressure, the authors admit that the effect of these actions was negative for the United States in the majority of cases.

If we continue this analysis by B. Blechman and S. Kaplan, which is written on a fairly trivial level with little concern for the time factor, it turns out that this negative effect becomes increasingly perceptible with the passage of time, although it would appear, from the standpoint of military technology, that the possibilities and spectrum of the use of military strength by Washington as an instrument of pressure are constantly being augmented.

Does this mean that the United States is reassessing the very principle of the use of military strength in relations with the developing countries? The authors unequivocally deny this. They even assert that an increase in the number of such incidents "should be expected" in the future. Moreover, they mention specific regions in which the United States should be prepared to "show its strength." These regions, arranged in order of the probability of a "force reaction," are the Eastern Mediterranean, where the Arab-Israeli conflict, various inter-Arab confrontations, the Cyprus situation and the related difficulties in relations between Greece and Turkey have been singled out as spheres of potential intervention; East Asia, where the Korean peninsula is still the central object of U.S. concern; the Caribbean, where growing tendencies toward national independence and social reforms are making Washington increasingly anxious.

Therefore, the potential use of military pressure by the United States is largely confined to the developing countries.

It is evident, however, that the list of regions in which the United States deems it possible to use its armed forces openly and directly is much shorter now than at the time of the practice of global military intervention, which was declared (and not only declared) in the "pre-Vietnam" era.

This is indirect, but fairly definite, proof of Washington's realization that there are factors opposing attempts at direct military intervention in the affairs of the developing countries during the current stage of international development. The risk of intervention is regarded as justifiable only in those cases involving what the United States regards as its most important and immediate strategic interests. In all other cases, Washington strategists advise the use of other, indirect and camouflaged methods.

The expansionist activity of the United States in the developing countries is being accomplished in the following ways under the conditions of detente.

On the purely military level, the United States is striving to reinforce (and, sometimes, to even replace) "gunboat diplomacy" with the use of so-called "comprehensive forces" in its own interest. The tendency to use "local" armed forces to further imperialist policy, which made itself apparent at the time when the "Nixon Doctrine" was set forth and implemented, is now becoming a favorite tactical means of achieving local objectives in the Asian, African and Latin American countries. The possibility of relatively less (in comparison to direct military intervention) "operational efficiency" on a short-term basis is consciously foreseen. This, according to Washington strategists, is compensated for by the fact that the developing states are less likely to display a dramatically negative reaction and less likely to appeal to socialist countries for assistance. In this way, the contemporary international political situation is increasingly restricting the expansionist appetites of U.S. ruling circles and forcing them to choose more cautious, indirect tactics in relations with the developing states, even in those cases when their "instinct for military intervention" is aroused, in spite of all past lessons and present difficulties. (And this instinct is aroused primarily and mainly in those situations when a particular developing country turns toward socialism during the course of its internal sociopolitical evolution.)

Under present conditions, American imperialism (and imperialism in general) also has much less opportunity to use extra-economic, "power" levers to resolve its own economic difficulties and problems at the expense of the developing states. This tendency is closely connected with the evolution in the use of direct military intervention and is a consequence of this evolution. Washington's initial reaction to the oil embargo of the Arab countries in 1973 is well known: H. Kissinger, then secretary of state, threatened to "guarantee deliveries of cheap oil to the West" by means of military occupation of the Persian Gulf. Soon afterward, however, American ruling circles realized that it would not be so simple to take such actions. neither from the military nor from the political standpoint.

The economic aspects of U S. strategy in relations with the young independent states do not enter into the subject matter of this article. We must at least stress, however, that it is precisely the close cooperation between the socialist world and the national liberation movement that forced imperialism to seek means of resolving the economic and financial conflict with the developing countries in negotiations, the purpose of which, in the view of the developing countries, is to radically reorganize the existing system of international economic ties. It was for this reason that the United States took part in the so-called "North-South" dialog, after resolutely repudiating even the idea of this kind of dialog a few months prior to its commencement. It is for these same reasons that Washington is now making a few--and, incidentally, quite limited--concessions to the developing countries and is striving for some convergence of views with the United States' weaker and more vulnerable partners, which realized the need for compromise even earlier (this tendency became particularly apparent at the time of the fifth UNCTAD session in Manila in May 1979).

This tactic, however, soon proved to be weak and vulnerable. Rightist pro-American regimes interpreted the slight alleviation of the military aspects of U.S. expansionist activity in the developing countries as a reduction in Washington's ability to guarantee their survival. These feelings became particularly pronounced after the fall of the shah's regime in Iran.

Under these conditions, Washington quickly took actions to demonstrate its "power" and vigor. These included, above all, the public announcement of the intention to create a "rapid response" corps of 110,000 soldiers for use in the event of crises (especially in the Middle East and in East Asia), measures to build up the U.S. naval presence in the Indian Ocean and the reluctance of the United States to resume the Soviet-American talks on the limitation of military activities in this region (in spite of the fact that an agreement on their immediate resumption was concluded at the time of the summit-level meeting in Vienna in June 1979), as well as the refusal to consider even the partial withdrawal of American troops from South Korea and the steps taken to strengthen the American Navy and Air Force in the West Pacific.

All of these moves are externally reminiscent of the old, openly interventionist policy. But their main purpose was to lift the moral and spirits of the United States' partners and allies in the Asian, African and Latin American countries and encourage them to act more decisively with less hesitation. Therefore, this is a kind of "tactic within a tactic," the creation of the best possible conditions for the formation of "comprehensive forces" of local U.S. allies in times of need and for their effective use.

On the political level, the relaxation of international tension is creating an atmosphere in which the imperialist states, especially the United States, must seek new, more effective and, consequently, more "constructive" ways and means of increasing their influence in the developing countries. In the past, in the absence of an alternative, or a "strategically equivalent" alternative, to American influence in the developing countries, Washington was not overly concerned with the elaboration and implementation of better methods of establishing and reinforcing its supremacy. Now American strategists are realizing more and more that only an extremely careful selection of means of strengthening U.S. positions can produce the desired effect. Moreover, the prevailing means in this selection must be ones that will "appeal" to the developing countries and create the illusion of "U.S. predisposition to honest cooperation." It is only under this "soft" cover that the use of effective means of pressure and infiltration is recommended.

At the time of the cold war, the United States was much less concerned than now about the appeal of its political and social "image" to the developing countries and limited itself to general rhetoric concerning the advantages of "free enterprise." Despite the warnings of far-sighted politicians, such as, for example, former Undersecretary of State and Ambassador to India C. Bowles,[3] the United States remained convinced of the positive emotional effects of great-power strength as such. "The weak respect only power"--this kind of statement could be found quite frequently in American scientific and propaganda publications. After the defeat in Indochina, after the events of 1973-1974, when the "weak" revealed the previously unforeseen sources of their power, and the "powerful" revealed many of their weaknesses, statements of this kind were made less often. On the contrary, more attention is now being given to the achievement of effective results in the developing countries, through the use of non-military means, particularly through the cultivation of a "positive American image" in the minds of the people of these countries.

This tendency became particularly noticeable after the present administration took office in Washington. Whereas U.S. relations with the developing states (just as many other important aspects of world politics) under the Republican Administration were interpreted primarily from the geopolitical standpoint, the Democrats decided to modify this approach (but not by any means to reject it) by paying considerable attention to several other aspects, and the ideological aspect in particular.[4]

This "supplementation" of Kissinger's geopolitics--or, more precisely, its "dilution"--guaranteed the continuity of American policy in the developing countries with the proper adjustments. At the basis of this policy lay the pervasive desire to seize the initiative in the young independent states, with consideration for the peculiarities of contemporary international relations and with the aid of methods designed specifically for this purpose.

In Africa, for example, these attempts by the United States were particularly obvious. A series of measures--from the promotion of black A. Young to the foreground of U.S. African policy to the engineering of an Anglo-American plan for settlement in South Rhodesia, from the ostentatious cooling of relations with South Africa to the equally ostentatious "courting" of Nigeria--were taken for the purpose of accumulating "antiracist baggage," which could be used as an effective counterbalance to the socialist states' concrete assistance of African countries in the crucial stage of the struggle against colonialism or its internal proteges. An effort was made to depict the United States as a supporter of the resolution of urgent African problems by peaceful means and to depict its opponents as capable of solving the same problems by armed means in their own interests, and not in the "African" interests. In other words, the basic concepts of international detente are being used to artificially contrast the fundamental and vitally important resolution of the concrete problems of national liberation with the equally important and vital tendency toward the inclusion of this region in the process of improvement in the global situation.

Tendencies with similar intentions (although, naturally, with no similarity in the specific content) can also be discerned in American policy in the Near and Middle East. As we know, in the 1960's Washington unilaterally took repressive measures against the national liberation movement in this region, using Israel as its own armed "fist" and turning the shah's regime in Iran into something like a second, spare "fist." Everyone knows that the United States' attempts to improve relations with countries in this region and renovate its "image" in the Arab states (and not only in those with reactionary monarchic regimes) were closely related to the energy problems that arose at the beginning of the 1970's. But the close relationship between the "counterattack" of the developing countries on the positions of imperialism at this time and the worldwide tendency toward detente is equally obvious and has been officially recorded more than once.

For many reasons (the main one being the considerable increased opportunities for many Arab states to conduct an active and independent policy and the consistent support they have been given by the socialist countries), it is now much more difficult for the United States to openly exert pressure on the Middle East by means of force than it was 12 or even 6 years ago. This is why the United States is seeking political means of solving regional problems in its own favor. A fierce struggle is going on in the United States, however, over the specific means of implementing this policy. Groups inclined, under specific circumstances, to include the Middle East in the "detente zone" are apparently still active in American ruling circles. This is attested to by the signing of a joint Soviet-American declaration on ways of achieving peace in the Middle East on 1 October 1977. But the dominant aim is still a kind of "mock detente" and the attainment of traditional goals by slightly modernized means. Without resorting to the use of armed forces (but constantly holding them in readiness and publicly demonstrating this readiness from time to time), Washington is trying to settle the Middle Eastern problem by "crowding" the socialist states out of this region. It is precisely this that is the purpose of the Camp David agreement and all subsequent "peaceful maneuvers" aimed at the creation of an Israeli-Egyptian alliance. One of the goals of the line of "peaceful diplomacy" consists in reversing the process of the national liberation movement in this region and nullifying achievements in the sociopolitical sphere. There is no question that the real interests of the independent states in this area will only be served by a fair and comprehensive settlement. Only this, over the long range, can make this region part of the dominant trends in world politics.

The reconstruction of geopolitical motives and the strengthening of ideological features can also be seen in U.S. policy toward Latin America--a region that has "traditionally" represented a permanent sphere of U.S. expansionist "concerns." When it became obvious at the end of the 1960's that the latest attempt to conduct a policy of direct patronage, which was theoretically set forth in the so-called "Mann Doctrine," was losing its impact, and when signs of Latin American convergence with other subregions of the developing state zone were simultaneously discerned, Washington tried to modify the outlines of its approach to its neighbors south of the Rio Grande. The tactic of using local sub-imperialism, primarily and mainly Brazilian, in the U.S. interest was set in motion.

In the new international situation, however, characterized in particular by the strengthening of the national liberation movement's positions, the attempt to set up, as an ideal and a guardian, the regime of "top choice" Brazilian reactionary generals (whose creed is economic growth and social conservatism under the conditions of political reaction and police authoritarianism) turned out to be not only unappealing to the people of the Latin American continent, but also compromising to Washington, which had armed itself with its own version of the "human rights" issue as its main ideological motto. This forced the Carter Administration to "move away from" the Brazilian regime (at least on the levels of propaganda and diplomacy) and assign the role of the United States' closest partner and, simultaneously, best example, to Venezuela, with its bourgeois democratic variation of social modernization and its extremely close ties with the "power nucleus" of the developing state zone, largely due to its active role in OPEC. For similar reasons, energetic (although unsuccessful as yet) attempts were made to improve U.S.-Mexican relations. American political and diplomatic maneuvers in relations with the victorious Nicaraguan revolution also belong to this category. Since the fall of the Somoza regime, Washington has been trying to influence political evolution in Nicaragua by means that are not completely typical of the traditional U.S. approach to the Central American subregion.

These changes have been closely connected with the overall crisis in U.S. interventionist strategy in general and the failure of the U.S. policy of isolating Cuba in particular. At a time of improvement in intergovernmental relations in the mainstream of world politics, the political and economic blockade of revolutionary Cuba has begun to resemble an anachronism, even to a sizable segment of the American ruling class. The defense of U.S. positions in the developing countries, particularly in Latin America, with the aid of methods corresponding to the international political realities of the present day, presupposing, in particular, concern for a "positive American image," will be impossible under the conditions of the overt pressuring, by means of force, of Cuba--a state whose great prestige among the developing countries was once again clearly demonstrated at the conference of the heads of the non-aligned states in Havanna this September.

The processes of global detente are having extremely complex and contradictory effects on U.S. policy toward the Asian developing states. The "Vietnam syndrome," or, in other words, the fear of U.S. ruling circles to become involved in a situation similar to the one that led them to defeat in Vietnam, is most apparent in this region. It is precisely this fear that was one of the main factors giving rise to the "Guam Doctrine" and the series of measures related to this doctrine, which were aimed at the avoidance of direct military involvement in this part of the world. Above all, this pressuposed the withdrawal of a sizable portion of American military contingents from continental Asia. Furthermore, this was a new policy in relation to the states belonging to ASEAN. The previous, flagrant and unconcealed methods of creating military coalitions aimed against socialism and the national liberation movement (the failure of which was most vividly demonstrated by the self-dissolution of the SEATO bloc) were replaced by considerably more subtle methods, mediated by the "encouragement of local regionalism." It was precisely in this region, however, that a tendency, characteristic of the U.S. approach to the developing countries as a whole, was most pronounced. This was the strategy of using the so-called "Chinese factor," intensively and on a long-range basis, contrary to the interests of the national liberation movement.

A few years ago, some researchers of Beijing's foreign policy doctrine could already see that there were no defenders of the interests of "poor" states that were more zealous, and no opponents of imperialism and neocolonialism that were more radical than the leaders of the PRC.[5] Successive foreign policy theories in Beijing (such as the theory of "buffer zones" and the doctrine of the "three worlds") invariably assigned the role of chief revolutionary force to the zone of young developing states. It was this force--led, naturally, by the PRC--that would, according to Beijing doctrine, deal the deciding blow to world imperialism and, above all, to its leader--American imperialism. The main condition for the successful development of events, the Maoists maintained, consisted in opposition to the socialist states and their joint foreign policy strategy--the strategy of international detente.

The experience of the last decade has provided us with a clear and unambiguous judgment on the relationship between this doctrine and the truth.

Now the Beijing theoreticians and practitions, who are still addressing ritual lies to the developing countries from time to time, are actually completely ignoring their true interests and are focusing all of their attention and energy on a political and ideological--and, just recently, military and strategic--alliance with imperialism.

Whereas in the past Beijing explained its fierce opposition to the processes of international detente by the need to deal a "decisive blow to imperialism," primarily through the efforts of the people in the developing countries, and accused the Soviet Union and other socialist countries of a reluctance to engage in decisive struggle, its present, even more rabid attacks on detente are accompanied by open conspiracy with imperialism and the encouragement of imperialism to take increasingly extremist measures against socialist forces and the national liberation movement.

This objective result of the PRC leaders' foreign policy maneuvers has discredited them in the eyes of the people of the developing states and has also affected the United States' opportunity to use the "Chinese factor" in relations with these states.

It cannot be said that American bourgeois political thought completely ignores the connection between detente and the problems of the developing countries. But this connection is often misinterpreted and distorted to the extreme. For example, in his fundamental work entitled "Diplomacy for a Crowded World," former U.S. Undersecretary of State G. Ball, just recently the head of a special State Department task force for organized resistance to the Iranian revolution, states that there are two principal dangers inherent in the policy of international detente.

The first is the existence of local conflicts (such as, for example, the conflict in the Middle East) that might lead to worldwide conflict ("the second--and equally important--area in which detente has not been tested," Ball writes, "relates to the common dangers that civilization faces unless the developed nations mobilize a vast common effort. Without such an effort, we can never master the problems created by the play of forces affecting the relations of man to nature in areas such as population, food, raw materials and ecology."[6]

In itself, this reminder of the spheres in which detente processes could be expanded cannot arouse any particular objections, but the list Ball presents is not complete. Immediately after this, however, the author tried to categorically impose on his readers a subjective (in the U.S. interest) interpretation of the ways and means of accomplishing this truly important task, supplementing this with threats addressed to the supposed opponent. "If, therefore, there is any substantial leverage in detente," Ball writes, "we would be foolish not to insist that the Soviets cease undercutting American initiatives designed to deal with urgent world problems. If they are not willing to do so, we should rigorously reexamine all aspects of Soviet-American relations."[7]

What is of interest in this line of reasoning is not the classic comparison drawn between the "responsible," "constructive," "global-minded" and so forth United States and its opponent with all of the opposite characteristics. This is nothing other than a current propaganda cliche. The important aspect is the attempt to theoretically substantiate the "association" of the aspects of detente that are directly connected with Soviet-American relations with absolutely different aspects, particularly those which pertain to the developing states.

It is a well-known fact that theoretical investigations of this type lay at the basis of the attempt to "associate" major aspects of Soviet-U.S. relations (for example, SALT II) with various political events in Asia and Africa.

There is no question that the process of international detente is a unified, comprehensive process, the various functional aspects of which, just as its geographic outlines, are closely interrelated. The world is indivisible, and in this broad sense the various forms and centers of world politics ultimately constitute a single entity. This is why the policy of detente is also comprehensive.

But this does not mean that specific political and diplomatic results in the area of detente should be achieved simultaneously in all or the majority of main directions or be closely interrelated. This kind of "working" relationship, particularly if it is accompanied by attempts to exert pressure in one area for the purpose of achieving compromise in another, leads, as experience has shown, to negative results. The attempt to "associate" aspects of detente that are completely different in terms of internal content and incomparable in terms of immediate significance is absurd from the standpoint of logic and unproductive, at the very least, from the standpoint of politics and diplomacy.

In all probability, worldwide and "integral" detente will be achieved not with the aid of the "association" principle, but by means of persistent parallel progress in the resolution of various problems creating international tension.

This kind of parallel development (although as yet extremely limited and insufficient) has been going on for the entire decade. Along with the strategic arms limitation talks, the second phase of which concluded successfully with the meeting in Vienna between General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev and U.S. President J. Carter, other important initiatives were taken up in the field of arms race de-escalation, and if these initiatives should progress successfully, they will considerably alleviate the tension in the Asian, African and Latin American countries and further reduce imperialism's ability to impose its will in these parts of the world through the use of the armed forces of its proteges. These initiatives include talks on the universal and total nuclear test ban, on the limitation of sales and shipments of conventional weapons (particularly to the developing countries), on the limitation of military activities in the Indian Ocean and so forth.[8]

Unfortunately, there has been no consistent progress in all of these areas as yet. One of the main reasons for this is the reluctance of some influential circles in the United States to accept the imperatives of contemporary political reality.

One recent piece of evidence of this belated and inappropriate reaction to the realities of the present day was the unhealthy U.S. reaction to the revolutionary events in Afghanistan and Iran. In the latter days, Washington used every means, with the exception of direct military intervention (including political pressure, the dispatch of numerous military "advisers" to this country, headed by General Heiser, NATO's supreme ally commander of European forces, and a show of naval strength), to promote the development of the internal political situation in Iran in a direction acceptable to the United States. This latest failure in the attempts to "control" revolutionary events, which were engendered by profound internal social processes and had their own specific internal dynamic, gave rise to a new alarmist wave with distinctly anti-Soviet overtones in American ruling circles. Z. Brzezinski made his famous statement about the "arc of crisis that stretches along the shores of the Indian Ocean." True to his idea about "diabolical world," in which a global game is being played with no stakes, the President's national security adviser asserted: "The resulting political chaos could well be filled by elements hostile to our values and sympathetic to our adversaries."[9]

This idea has recently been supported by U.S. Secretary of Defense H. Brown. "It could be," he said to a WASHINGTON POST correspondent, "that we will find it extremely difficult to avoid choosing between active involvement in any conflict (although not necessarily with the aid of ground forces) in the developing countries and serious harm to our national interests and resources."[10]

This interpretation of current changes is an obvious echo of the cold war and testifies that American ruling circles have still not drawn constructive conclusions from their many years of difficult and sometimes painful contacts with the young developing countries.

Washington still has to draw concrete political conclusions from the decisive fact that the young independent states, despite all of the complications and contradictions in their economic and sociopolitical development, are no longer a passive object of imperialist policy. On the contrary, they have occupied a solid position of their own in international politics today. Their energetic struggle for economic independence has yielded its first fruits and their political importance in the world is increasing with each year (this was vividly demonstrated at the meeting of the heads of non-aligned states in Havanna this September).

The consideration given to prevailing global foreign political tendencies in U.S. policy toward the young independent states is still of a superficial and largely "cosmetic" nature. But a change in imperialist tactics cannot camouflage a reluctance to renounce imperialist policy.

FOOTNOTES

1. "Force Without War; U.S. Armed Forces as a Political Instrument," Washington, The Brookings Institution, 1978.

2. Ibid., p 532.

3. Ibid.

4. "I would agree that we have not done well enough in developing a North-South economic program," Z. Brzezinski admitted in a TIME magazine interview. "But we have improved the nature of the political relationship with the Third World and the way the Third World perceives us. I think it is very important that the United States not be identified with the status quo, which, in general, is the way it used to be identified. President Carter has identified the United States with change in world affairs, thereby giving us the opportunity to shape the nature of change" (TIME, 29 May 1978, p 18).

5. "The Cultural Revolution in China," edited by T. Robinson, Berkeley, Los Angeles, London, 1971; K. Karol, "La deuxieme Revolution Chinoise," Paris, 1973.

6. G. Ball, "Diplomacy for a Crowded World," Boston-Toronto, 1976, pp 121-123.

7. Ibid.

8. "These steps in the field of arms control take in the attitude of the United States toward conflicts in the Third World and our strategic competition in the field of arms with the Soviet Union" ("Arms, Defense Policy and Arms Control," edited by F. A. Long and G. W. Rathjens, New York, 1976, p 47).

9. TIME, 15 January 1979, p 6.

10. THE WASHINGTON POST, 1 January 1979.

8588
CSO: 1803

THE ENERGY SITUATION AND THE ADMINISTRATION'S NEW PROGRAM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 27-37

[Article by Yu. I. Rigin]

[Text] In July of this year, President J. Carter submitted a new government energy program to Congress. A complex and intense political struggle immediately erupted over this. This was primarily due to the further sharp intensification of the energy problem in the United States this summer. Intermittent deliveries of liquid fuel and the intrigues of the oil monopolies (the underloading of capacities at existing oil refineries) led to a gas shortage so severe that it had no parallel even during the time when the energy crisis broke out in 1973-1974. Lines of cars, stretching several kilometers, began to form at the gas pumps. The shortage of diesel fuel disrupted freight operations. There was even some difficulty with supplies of fuel for household needs.

The energy situation is being complicated by the fact that, as the President officially acknowledged, another economic crisis has begun in the nation. In the second quarter of this year, industrial production growth slowed down, and the gross national product decreased considerably (by 3.3 percent). Retail trade volume also decreased (4.5 percent). These phenomena have been accompanied by a further inflationary rise in prices (13 percent in the first half of the year, calculated on the annual basis), as well as a new rise in unemployment, which, according to the administration's estimates, should reach an exceptionally high level soon--approximately 8 million, which is not much lower than the maximum scales of unemployment during the last crisis (1973-1975). The American dollar is still unstable, and its position is still being undermined by the further increase in the negative balance of U.S. payments.

The accumulation of economic difficulties was, in all probability, one of the main factors motivating the President to reassign many officials in the upper echelon of the executive branch--a reassignment unprecedented in terms of speed and dimensions. The victims of the cabinet shakeup were the heads of several major federal departments (the departments of Energy, the Treasury, Transportation and others). In this way, they were assigned much of the blame for the economic difficulties now being experienced by the United States. American observers are justifiably associating the cabinet reorganization with another political factor that is taking on increasing importance--the coming 1980 presidential election. In their opinion, it is already completely obvious that economic problems, particularly the energy crisis, will be the prime consideration in the election campaign. This is why the President has essentially already begun timely preparations for the anticipated battles by attempting to seize the initiative at an opportune time.[1] This is also corroborated by the fact that he already made a series of trips around the nation this summer, making speeches in which energy difficulties and the administration's plans for overcoming them were the dominat theme.

Strictly speaking, energy difficulties are no longer regarded as something extraordinary in America. In the 1970's they actually became chronic. Their real causes have been analyzed in sufficient detail in Soviet scientific literature.[2] A more serious feature of the energy crisis in the United States, which is arousing particular anxiety in American ruling circles, is the growing dependence on foreign oil shipments, which is making the nation's economy extremely vulnerable to any kind of significant reduction--under any circumstances--of oil imports. The proportion accounted for by imports in total liquid fuel consumption is almost 1.5 times as high as in the "pre-crisis" year of 1972. As a result, the United States is already covering approximately half of its oil needs with imports.[3] Furthermore, by increasing its dependence on fuel shipments from outside, the United States has also made its economy increasingly vulnerable to price fluctuations in the world petroleum market.

At the same time, the influence of these factors on economic conditions in the United States as a whole is being exaggerated, and not without an ulterior motive. For example, American officials did not miss the opportunity to assign much of the blame for their current fuel difficulties to the new government of Iran, making references to the temporary reduction in Iranian oil exports at the end of 1978 in connection with events in that country. The percentage accounted for by Iranian oil in total liquid fuel consumption in the United States, however, has never been great and has not exceeded 5 percent in recent years.[4]

A genuine Bacchanalia broke out in the American press after the OPEC countries announced that the price of oil would rise again on 1 July 1979, and the emotional outbursts were totally inconsistent with the scales of the measures taken by the oil-producing countries. They raised the price of oil to 18 or 23.5 dollars, depending on the grade, per barrel (a barrel is equivalent to 159 liters), in comparison to 14.5 dollars (on the average) in the first half of the year. This rise, as representatives of the OPEC countries noted at their June meeting, completely reflects the dynamics of the inflationary price of recent years in the prices of industrial commodities and foodstuffs purchased by these countries from the West, and mainly from the United States. But none of this kept Washington from accusing OPEC of all the deadly sins and actually instigating a hostile campaign against OPEC in the American press. The matter is being presented in such a way as to imply that the nations exporting the "black gold," primarily OPEC members, are deliberately undermining the economy in the capitalist states importing oil, including the United States, by adhering to a line of liquid fuel price escalation in the world market. "Dependence on OPEC," J. Carter said in a nationally televised speech on 15 July of this year, "is already inflicting tremendous losses on our economy and our people.... This kind of intolerable dependence on foreign oil shipments is threatening the economic independence and the very security of our nation." In what looks like a rebuttal to the President's statement, the 23 July issue of BUSINESS WEEK stated: "The Carter Administration, confronted by the deterioration of the political and economic situation, is trying to find a scapegoat.... However, it will be impossible for Carter to solve economic problems by putting the blame for them on the OPEC countries."[5]

This entire propaganda campaign in the United States actually conceals nothing other than the stubborn refusal of American ruling circles to face reality. They do not wish to reconcile themselves to the fact that the United States, in view of the dramatic changes in the global balance of power, can no longer get rich at the expense of the developing countries as brazenly as in the past. After all, there is no question that the United States was robbing the Middle East of its fuel and energy resources for most of the postwar period. The use of cheap imported fuel allowed American corporations to save huge sums of capital expenditures and, above all, to considerably reduce their labor expenses. For this reason, industries requiring high power input and other types of production based on imported raw materials turned out to be one of the most profitable types of business. In this way, the oil-exporting countries, which were dependent on American oil monopolies and had an urgent need for financial resources for capital investments in their own economy, were simultaneously essentially subsidizing U.S. economic development. These developing states were being openly robbed.

Certain circles in the United States are still trying to reverse the course of history. This is the only interpretation that can be given to the latest threats to use armed force against the oil-producing states in the Middle East; several American officials have recently resorted to these methods more than once. This policy of blackmail and intimidation has been resolutely condemned by the Middle Eastern states, including Saudi Arabia, with which Washington, taking its important role in U.S. oil supplies into account, is striving to maintain a "special relationship."

These U.S. actions have not been particularly successful. They have only intensified confrontations between the United States and the oil-producing countries: OPEC is still conducting a common fuel price policy in an attempt to bring these prices in line with the prices of industrial commodities in the world capitalist market. The United States' latest attempts to break up this organization in order to dictate its own will to the oil-producing countries were also unsuccessful.

Under these conditions, the American Administration has had to give more attention than ever before to the possibility of reducing foreign oil shipments. This is also being made necessary by the fact that expenditures on oil imports are a constant strain on the already huge and chronic deficit in the U.S. balance of trade (-34 billion dollars in 1978). This year, according to official calculations, these expenditures will rise to a new record high--50 billion dollars.[6] Besides this, such huge purchases of oil by the United States are justifiably regarded by Washington's leading trade partners as a disrupting factor in world trade. Giving in to their pressure, the United States promised to reduce its oil imports last July at a meeting of the "big seven" in Bonn.[7] But this promise was not kept, and this was noted with unconcealed indignation at the next meeting of the representatives of the seven countries in Tokyo (28-29 June 1979). This time the American President made a more cautious promise--to merely stabilize imports of oil until the mid-1980's, but this stabilization would be based on the record level of 1977.[8]

The increase in American oil imports and the growing dependence on the United States in this area were just recently being explained as the re-results of the allegedly progressive depletion of national energy resources. Now this argument has already lost its former value. In the abovementioned televised speech, J. Carter admitted that although the United States is purchasing huge quantities of liquid fuel abroad, it definitely has its own fair share of energy resources. Furthermore, in terms of quantity, they practically exceed the resources of any other capitalist state. The United States, he said, has 24 percent of all known energy resources in the capitalist world, while the share of, for example, the oil-producing countries in the Middle East is 5 percent. "The petroleum in our oil-bearing shales," the President confirmed, "exceeds the Saudi Arabian supply several times over, and we have more coal than any other country in the world." It must be added, however, that the United States is deliberately trying to conserve its own oil resources for strategic reasons. This is completely consistent with an earlier congressional decision (1975) concerning the creation of a large-scale strategic reserve of liquid fuel in the nation, primarily by means of overseas purchases. This has also stimulated the growth of American oil imports in recent years.

The complexity of the energy situation in the United States is also connected, in the final analysis, with the fact that operations with foreign oil are more profitable for the oil monopolies, which control most of the fuel and energy resources in the nation (not only oil, but also natural gas, coal and nuclear raw materials), than the organization of investigative prospecting work and the exploitation of oil deposits in the United States itself. This goes a long way toward explaining the American energy situation, not only in recent years, but throughout the last decade, as well as the failure of the administration's repeated attempts to promote the development of national power engineering and ultimately achieve energy self-sufficiency for the nation.[9]

Even after the energy crisis became more acute in 1973-1974, leading to a dramatic rise in the price of fuel, oil production in the United States displayed a fairly steady tendency toward decline. Between 1973 and 1978, total petroleum output decreased by almost 36 million tons. During the same period, imports of petroleum and petroleum products increased by 100 million tons--to 420 million in 1977. As a result, even now the proportion accounted for by petroleum in national energy reserves is, just as it was a decade ago, around 49 percent.[10] In this context, it is just as indicative that oil consumption in the United States increased more rapidly in the 1970's than the use of other energy sources, particularly natural gas and coal, although known reserves of gas in the nation, according to official data, are quite sizable, and U.S. coal reserves are absolutely unparalleled in the capitalist world. The proportion accounted for by petroleum in the fuel balance of American industrial companies even rose between 1971 and 1977 (almost 10 percent), while the proportion accounted for by natural gas decreased dramatically.[11]

The rapid compilation and submission to Congress of a new national program, the third of its kind, constitutes sufficient evidence that measures previously proposed by the administration did not have the anticipated impact. The White House, in no position to deny this fact, makes constant references to congressional opposition or "lack of understanding," which, according to White House estimates, almost cut in half and, consequently, weakened, the original energy program ("National Energy Plan") submitted by President Carter in April 1977[12] and passed by Congress in a severely modified form in October 1978.[13] Arguments of this kind, however, are only half-truths at best. The essence of the matter is that the levers that were, according to the administration's plan, supposed to fundamentally change the situation, did not work.

In the first place, the considerable rise in domestic oil and gas prices santioned by the Carter Administration did not result in any kind of noticeable increase in their production. The United States, as has already been noted, is producing less liquid fuel than it did prior to 1973-1974. In the second place, in spite of the variety of tax and financial benefits extended to private companies producing and consuming coal, no fundamental changes took place in the development of the coal industry either; this has already made even previous government forecasts of coal production up to the mid-1980's absolutely unrealistic.[14] In the third place, even greater difficulties arose in connection with the development of nuclear power engineering. For example, due to dramatically increased public criticism of the condition of safety equipment in nuclear power stations, federal regulatory agencies did not approve a single plan for the construction of nuclear power plants last year.[15] In the fourth place, in the original energy program of the Carter Administration, special hopes were placed on the officially declared rigid regulations governing energy conservation. But these were mainly limited to requests. The administration preferred, as a rule, not to resort to punitive measures against enterprises that deliberately continued to squander energy (the production of gas-gobbling multicylinder automobiles and so forth). This ultimately made the conservation campaign unproductive, and contrary to all of the administration's expectations, imports of petroleum continued their unbridled growth in recent years.

In addition to all this, the oil corporations that had convinced the administration to grant them various types of new financial and other privileges used them exclusively for their own enrichment. The manipulations and abuses committed by these companies in connection with the energy crisis have already become common knowledge throughout America. The administration has had to publicly admit, for example, that the actual state of affairs in the area of national oil supplies is being concealed from it. "I have a great deal of authority in dealing with the oil companies, but not enough," the President said when he spoke in Detroit this July. "We now have the right to demand accurate information from the oil companies in regard to import volumes, volumes of petroleum on hand, and sales volumes. This is a new right, which we acquired just recently." This information became necessary to federal agencies because the oil companies, as more and more new facts are testified, resort to stratagems, restricting shipments of raw materials to oil refineries and thereby artificially creating a shortage of gas and other petroleum products.[16] The goal they are pursuing is completely obvious: the acquisition of speculative profits through the escalation of prices. The chairman of the board of directors of Standard Oil of Indiana, for example, cynically announced, just before the new energy program was published, that the oil corporations do not want to increase production volumes until the price of gas in the nation is twice as high as it is now.

Since 1 June 1979, in accordance with a congressional resolution, the administration has sharply relaxed domestic oil price controls, while natural gas price controls were relaxed even earlier, in the fall of last year. This alone is permitting oil and gas corporations to earn superprofits, running into billions of dollars. In just the second quarter of this year, according to data provided by the oil companies themselves, profits were 70 percent higher for Standard Oil of Ohio than they had been in the same period of last year, 65 percent higher for Gulf Oil, 36 percent higher for Standard Oil of Indiana and 20 percent higher for Exxon. But even this does not satisfy the oil monopolies now. They are pushing for the total and immediate lifting of controls, primarily on the price of oil, although these controls will officially still be in effect until 1981. If this happens, their new "gain" will immediately run into tens of billions of dollars, and without any need for additional financial expenditures on their part. Furthermore, they are demanding that the superprofits they have earned and will earn in the future in connection with the relaxation, and later the total lifting, of federal price controls, be deposited in full in their accounts. It is only on this condition that the oil business will verbally declare its willingness to increase fuel production in the nation, primarily by means of expanded petroleum and gas investigative and prospecting work, particularly in the coastal regions of the continental shelf, and the exploitation of new oil wells. But these statements are no longer believed by anyone, even the government. Meanwhile, profits continue to rise astronomically at a time when the nation cannot seem to overcome its chronic and constantly increasing energy difficulties, particularly due to the acute shortage of financial resources at the disposal of government.

The new government program, which represents the administration's latest response to the growing severity of the energy crisis and which must be approved by Congress, is expected to eventually accomplish a dual task: the reduction of oil imports by means of the accelerated development of individual branches of power engineering and restrictions on the growth of energy consumption.

The emphasis in this program is placed on the reduction of oil imports, and the measures planned for this are of a completely specific nature. By the end of the coming decade, overseas oil purchases are to be reduced to approximately half of their current level.[17] The President reserves the right to establish import quotas for 1979 and 1980 in the event that the shipment volume begins to surpass the level of past years. American experts believe, however, that he would not have to resort to this. In the first place, state-monopolistic conservation measures, which have been taken for several reasons, particularly the pressure being exerted by Western Europe and Japan, which are insisting on sizable cuts in U.S. oil imports, should take effect soon. In the second place, the U.S. economy has essentially already entered the next cyclical crisis, and this, in all probability, will reduce energy consumption in the nation in the next year and a half and, consequently, the demand for imported oil.

In view of the increasingly frequent interruptions in shipment of fuel for motor transport and the appearance of symptoms of "gas hunger," J. Carter has proposed, in addition to the import quotas, that Congress grant him the necessary authority to institute gas consumption standards and the compulsory redistribution of available reserves among individual states in the event of an emergency. This is not the first attempt to gain this authority from Congress, but given the present energy situation in the United States, informed American circles believe that there is now much more chance of its acquisition. This is corroborated by the fact that the administration's gas rationing bill was approved in principle by the House of Representatives in August, although with an amendment reserving Congress the right to veto any presidential action of this kind. Taking the new accelerated rise in national prices and the extremely probable negative response of the American public into account, Carter felt it was wise to stop any further rise in gas prices at that time, although this measure had been persistently supported by such influential speakers as then Secretary of Energy Schlesinger and Secretary of the Treasury Blumenthal.[18]

In order to compensate for the projected reduction in oil purchases in the international market, the new program, just as the last one, proposes several conservation measures, but, on the whole, this factor is not assigned as important a role as in the past. Government expenditures to guarantee this conservation in the next decade have been set at approximately 13.5 billion dollars. This sum includes 2 billion which is intended to mainly take the form of loans to private firms, which will work on improving the insulation of residences, trade enterprises and government buildings. Compulsory heating and air conditioning standards have already been set for the latter. Another 5 billion is to be used to subsidize public utilities converting from liquid fuel to coal or gas. They must reduce their consumption of heating oil (fuel oil) by at least half in the 1980's. The administration has also announced its willingness to give financial "aid" of up to 6.5 billion dollars to automobile firms which have already begun conversion to the production of automobiles with economical engines.[19]

The main emphasis in the new program, however, is not on energy conservation, but on the production of additional fuel in the nation by means of the broad-scale development of various energy sources which can be used as substitutes for imported oil. This is a fundamentally important feature of the administration's approach to the fuel problem.

The increase is supposed to result primarily from the production of synthetic oil and the working of coal and fuel shale deposits, as well as the extraction of heavy petroleum from bituminous gravel. These resources are abundant in the United States. Suffice it to say that the United States has almost one-fifth of all known coal reserves in the capitalist world.

According to estimates, the production of synthetic fuel (as yet, the nation has only a few experimental stations) is expected to reach 100-125 million tons a year by 1990, so that oil imports will be reduced by at least one-third in this way. The administration hopes to create a special joint private-government company, the Energy Security Corporation, which will be responsible for planning and building around 20 enterprises for the production of synthetic fuel. They are expected to be turned over to private firms for operation in the future. Besides this, the corporation will have the power to grant loans to these firms and purchase their products at a guaranteed price.

The completion of these measures aimed at the production of synthetic fuel is expected to take 10-15 years; that is, the plan is of a long-range nature and will involve huge financial expenditures. According to preliminary official estimates, these should amount to around 88 billion dollars in just the next 10 years. American experts estimate (and these estimates are hardly exaggerations) that it will cost from 1 billion to 3 billion dollars to equip just one modern enterprise for the production of petroleum from coal and bituminous gravel with an annual capacity of 2.5 million tons, and 1.5 billion to equip a plant for the gasification of coal.[20]

The large-scale production of synthetic fuel from coal and the conversion of public utilities from liquid to solid fuel presuppose the substantial growth of coal mining. These measures are expected to make the achievement of the level of coal mining (around 1.2 billion tons by 1985) which was already stipulated in the Carter Administration's original energy plan, and which is almost twice as high as the current level, completely realistic. This objective is still being impeded, however, by the substantial obstacle presented by existing federal pollution standards. This is why coal mining companies are now exerting strong pressure on the government and Congress in the hope that these restrictions will be considerably relaxed, if not abolished.[21]

It is also striking that the new program says almost nothing about the fate of American nuclear power engineering. And this is apparently far from coincidental. On the one hand, many American experts believe that nuclear power is extremely promising, as it would provide more economically effective means of satisfying the increasing demand for energy under present conditions in the United States. On the other hand, the recent major accident at a nuclear power plant in Harrisburg (Pennsylvania) put the government in a fairly difficult position. It became obvious that the problem of safety equipment in nuclear power plants, contrary to a number of official announcements, has not been completely solved. It turned out that there were so many opponents of the further accelerated development of the nuclear power industry in the nation and in Congress that the administration even decided not to resume the discussion of this topic. Apparently, it would rather wait and see what happens before resuming the discussion at a later date. This is how the White House's tactic has been interpreted by prominent American political figure, Governor E. Brown of California. This opinion was essentially confirmed in a statement by the new secretary of energy, C. Duncan: He particularly stressed that "a vitally important part of the energy program is nuclear energy, which is playing and will continue to play an extremely important role."[22]

The administration plans to spend around 5.5 billion dollars on the development of energy sources other than synthetic fuel (mainly solar energy). Around 3.5 billion will used for solar heating and other purposes. This figure includes special tax deductions for solar energy consumers. The long-range objective is to satisfy 20 percent of all energy requirements in the United States by means of solar power by the year 2000. But this objective has already aroused far from groundless skepticism in many American experts.

The national energy program also envisages--for the purpose of reducing gas consumption by individual drivers--stimulation of the development of municipal public transportation, particularly buses and subways. An additional sum of around 10 billion dollars will be allocated for these needs.[23]

The administration also hoped to influence energy research more actively and purposefully. In connection with this, an important role will be assigned to a new federal agency--the Energy Mobilization Board--which will be invested with powers as sweeping as those of the defense production agency during World War II. One of the chief responsibilities of this projected agency will be to stimulate research and development and aid in the "completion of key energy projects" for the purpose of solving energy problems more quickly.

All of this testifies that the new federal program as a whole is quite broad and comprehensive. Its total cost over the 1980-1990 period has been officially estimated at 140 billion dollars. This sum in itself is grand enough, but according to American experts, actual expenditures on the variety of measures envisaged will probably far exceed this sum and will be at least 2-2.5 times as high. Moreover, this estimate only takes in federal budget expenditures. If the expenditures of private companies are included, total expenditures on the development of power engineering in the next decade, according to the estimate of the Senate Committee on Energy and Natural Resources, could constitute an astronomical sum--1 trillion dollars.

It is completely obvious that the mobilization of resources on such a huge scale will be an extremely difficult matter for the U.S. Government. The American leaders feel that resorting to a significant rise in taxes, which are already extremely high, would be too risky, particularly in view of the impending cyclical crisis. And economic considerations are not the only ones involved. The White House must also act with a view to the 1980 election, which is not so far off. Under these conditions, a rise in taxes would be an extremely unpopular measure, and the President's political opponents would waste no time in using this to their own advantage.

Apparently, it was for all these reasons that the President finally decided to resort to another move, which is, in general, also not very pleasant for him. As a way of mobilizing the financial resources needed for the energy program, he proposed a tax on the surplus profits of the oil corporations (the same speculative profits they have been earning and will continue to earn in even larger quantities in the future when federal price controls are gradually lifted). This measure would naturally infringe upon the interests of the big oil business, which, as we know, plays an extremely important and active role in national politics as well as economics. If the White House had any other, more acceptable alternative, it would probably do anything to avoid confrontation with the oil companies.

To impose a tax on the surplus profits of oil corporations, the administration must obtain the consent of Congress. But this will not be all that simple. Last year the administration made a similar proposal, but it was blocked by the legislators. There is no one who can guarantee that this new discussion will have a different outcome. At a press conference at the end of July, the President issued a warning: "There will be a fierce struggle in the Senate over the windfall profits tax bill. If this bill is voted down, we will not be able to attain our objectives in the field of energy." This constitutes an absolutely real threat to the prospect of mobilizing the resources needed to finance the entire federal energy program.

There are also some other obstacles. According to some reactions that have already been given press coverage, the measures to stimulate synthetic fuel production are arousing the most criticism in Congress. No one is questioning the need to develop this new field of the American energy industry in principle. But the actual attainment of the goals set by the administration is seriously doubted. This is not only due to the billions of dollars involved. Difficulties of another nature also exist. Even with the tremendous financial assistance offered by the government, high overhead costs will make synthetic fuel production enterprises unable to compete with traditional producers of petroleum for a long time, according to American experts, given the current level of prices in the world capitalist market. Besides this, the extraction of heavy petroleum--for example, from bituminous sand--will involve colossal expenditures of water, and the very regions where this sand exists (Colorado, Utah and Wyoming) are experiencing a water shortage. The planned volume of engineering and construction work will also be a restricting factor. The completion of all planned construction will essentially necessitate, as American experts believe--and not without good reason, the creation of a new branch of the energy industry, equal in capacity to the U.S. coal industry. In addition to everything else, this will call for huge quantities of construction materials, equipment and, what is particularly important, skilled manpower. Finally, the organization of synthetic fuel production on such a grand scale will take a long time. This means that synthetic fuel will not be used as a substitute for traditional liquid fuel until at least the mid-1980's, if not the end of that decade. "The overwhelming majority of energy experts," BUSINESS WEEK stated, "feel that the production of synthetic fuel cannot cure all ills, even if it is supported by the government."

If the energy program is carried out, and this is highly improbable, it could have a significant but contradictory, dual effect on the U.S. economy. Companies engaged in the production of synthetic fuel, in the opinion of American experts, will gain the most. The program also holds the promise of great rewards for car manufacturers, in the form of sizable government subsidies to finance the production of economical engines for automobiles, as well as the production of buses for municipal public transport. Other promising features are the development of the production of equipment using solar energy and the further development of railway transport in connection with increasing coal shipments. Besides this, growth is expected in the production of equipment for converting enterprises from liquid fuel to coal and gas, as well as equipment for the insulation of residential buildings.

For the general American public, however, government subsidization of energy companies will unavoidably turn into a new financial burden. It is completely obvious that these companies will not miss any opportunity to escalate the price of energy once again in connection with the increasing demand for it. There is also no doubt that the oil monopolies, even if their surplus profits are taxed, will regain this money by raising the price of petroleum products. "Almost every American," the U.S. NEWS AND WORLD REPORT writes, "will feel the effects of President Carter's new offensive in the area of national energy problems.... Carter's program will raise the price of gasoline, heating oil, electricity and natural gas. The tax (on the oil companies' windfall profits--Yu. R.) will ultimately be paid by consumers, because the companies will transfer the cost to them by raising the price of gasoline and other types of fuel." Finally, the expected rise in fuel prices will certainly increase inflationary pressure on the economy, and this will make it extremely difficult to overcome the new economic crisis.

The current energy situation in the United States provides more evidence of the severity of the conflicts in the capitalist system today. It is impossible to fundamentally solve even local economic problems through the channels of private capitalist enterprise. And private capital has had to resort once again to massive financial support from the bourgeois government. One item on today's agenda is a new, large-scale redistribution of federal budget funds in favor of influential monopolistic groups, primarily those operating in the sphere of power engineering. These monopolies are once again trying to escape the energy crisis, which is now being exacerbated by the maturation of a general economic crisis, at the expense of the taxpayers--the main source of additional funds for the federal budget, which is being inflated by the administration for the benefit of private business. Under these conditions, the American communist demand for the nationalization of the energy complex, as one of the main essential conditions for the fundamental resolution of fuel problems, sounds especially timely. American ruling circles, however, are guarding the class interests of monopolistic capital and would therefore rather resort to palliatives and never, under any circumstances, disturb the economic basis of bourgeois society--private capitalist ownership. This means that any kind of radical resolution of the energy problem in the United States is highly unlikely.

FOOTNOTES

1. See, for example, U.S. NEWS AND WORLD REPORT, 30 July 1979, pp 15-16.

2. See, in particular, the collective work "Energeticheskiy krizis v kapitalisticheskom mire" [The Energy Crisis in the Capitalist World], edited by Ye. M. Primakov, Moscow, 1975; the article by V. I. Pavlyuchenko, "The Energy Crisis: Causes, Content, Consequences" (SSHA: EKONOMIKA POLITIKA, IDEOLOGIYA, No 6, 1977).

3. U.S. NEWS AND WORLD REPORT, 23 October 1978, p 30; TIME, 2 July 1979, p 8.

4. TIME, 5 February 1979, p 41.

5. BUSINESS WEEK, 23 July 1979, pp 58, 59.

6. FORTUNE, 21 May 1979, p 49.

7. NEWSWEEK, 31 July 1978, p 28.

8. U.S. NEWS AND WORLD REPORT, 23 July 1979, p 18.

9. For more detail, see Yu. I. Rigin, "State-Monopolistic Regulation of the Energy Industry: Problems and Prospects," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 9, 1977--Editor's note.

10. U.S. NEWS AND WORLD REPORT, 23 October 1978, p 29; 22 September 1975, p 31.

11. Ibid., 29 January 1979, p 62.

12. "National Energy Plan," Washington, Government Printing Office, 1977.

13. V. A. Nazarevskiy, "The Results of the Energy Debates," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 2, 1979--Editor's note.

14. BUSINESS WEEK, 30 July 1979, p 7.

15. U.S. NEWS AND WORLD REPORT, 26 March 1979, p 26.

16. THE ECONOMIST, 19 May 1979, p 46; THE NATION, 6-13 January 1979, pp 9-11.

17. TIME, 30 July 1979, p 40.

18. U.S. NEWS AND WORLD REPORT, 23 July 1979, p 18; THE ECONOMIST, 19 May 1979, p 42.

19. For more detail, see the survey by N. I. Kistanov and R. A. Mishukova, "Trends in the U.S. Auto Industry," in this issue--Editor's note.

20. BUSINESS WEEK, 30 July 1979, p 53; TIME, 30 July 1979, pp 40, 45.

21. THE ECONOMIST, 2 June 1979, p 61.

22. TIME, 30 July 1979, p 11.

23. U.S. NEWS AND WORLD REPORT, 30 July 1979, p 20.

8588
CSO: 1803

THE OLYMPICS AND U.S. ATHLETES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 38-50

[Article by R. M. Kiselev]

> [Text] Professional sports play an important part in American exports in general and are noticeably influencing the development of amateur sports in the nation. In view of the fact that this article pertains to U.S. participation in the Olympics, its contents will deal only with amateur sports, the representatives of which are authorized to participate in the games. Professional sports were examined in detail in an article entitled "The Structure of Professional Sports" (SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 7, 1972).

"We are sending a team of 500-600 athletes to Moscow. This will be one of the most impressive delegations at the Olympic Games of 1980." Robert Cain, president of the U.S. Olympic Committee, who visited Moscow at the end of last year, said this to a crowd of journalists in the press conference room of the 1980 Olympics Organizational Committee.

Extensive participation by American athletes in the Olympic Games in Moscow will indisputably make them particularly exciting, not only because competition between Soviet and American athletes in the Olympic arena is a tradition of long standing, but also because American athletes, who have invariably participated in all Olympic Games of our era, have an excellent and well-deserved reputation in world sports. The United States has traveled a long Olympic path and has done this successfully.

There are many famous names among the hundreds of names of Olympic Gold Medal winners, immortalized in bronze in the headquarters of the U.S. Olympic Committee:

James Connolly, who won the first gold medal for America at the first Olympic Games of 1896 in Athens.

Benjamin Spock, "doctor, writer and radical," as he is called in a special issue of OLYMPIC REVIEW. Dr Spock won a gold medal for America in 1924 as a member of the Yale University Rowing Team at the Olympic Games in Paris.

Johnny Weissmuller, who was victorious in the aquatic lanes of Paris (1924) and Amsterdam (1928), where he won five gold medals. He probably achieved even greater fame playing the fearless Tarzan on the Hollywood screen. It is true that his earnings from the movies were not as great as those of another Olympic star--Sonja Henie. Johnny Weissmuller is now in a hospital and has no income; according to the press, he would probably have to move to a welfare rest home. A tragic way to end a life....

John Kelly, Olympic Games champion academic rower in 1920 and 1924, is the father of the Princess of Monaco, former movie star Grace Kelly.

Jesse Owen, winner of four gold medals, who shattered Hitler's myth about the racial superiority of the Aryans in 1936 in Berlin, in the main stadium of the "Third Reich."

Bill Russell, Jerry Lucas, Jerry West and many other stars of Olympic and professional basketball.

Cassius Clay, who later took the name Muhammad Ali, threw his Olympic Gold Medal away when he returned home from Rome in 1960 and was not allowed to enter a restaurant displaying the sign "We do not serve dogs and negroes." Now it would be difficult to say where Muhammad Ali won greater glory: in the boxing ring or in the fight for social justice. One thing is clear: This is a real fighter, both in the ring and in public life, personifying the best features of his race. He is still vigorously protesting racial discrimination. In April 1979, Ali said the following at a session of the UN Special Committee on Apartheid: "I am still fighting for human rights. I was already doing this during the Vietnam war. I refused to fight in Vietnam. I was even ready to go to jail rather than kill innocent people.... I was invited to perform in South Africa three times. The last time they offered me 12 million dollars. I refused." Chairman Leslie Harriman of the UN Special Committee called Ali the successor to two of his outstanding countrymen--Paul Robeson and Martin Luther King--and remarked that Ali's speech in the United Nations was the beginning of a campaign to mobilize athletes throughout the world for a fight against apartheid. Recently, the president of the Olympic Committee of Italy ceremoniously awarded Ali a copy of the gold medal he had demonstratively thrown away after winning it in Rome 19 years ago.

Other renowned Olympic champions are Tommie Smith and John Carlos, winners of the 200-meter run in Mexico in 1968, who ascended the winner's platform and listened to the American national anthem, played in their honor, with their heads bowed in sorrow and their hands raised, clothed in black gloves and clenched into fists. This was a protest by the outstanding black athletes against racial discrimination in the United States. At a press conference held afterwards, Tommie Smith said: "We do not forget for one minute that there are two Americas in the world. One of them is for whites and the other is for blacks." John Carlos added: "We are tired of living in a society where we are treated like animals. We want to be treated like human beings instead of being humiliated."

The list of Olympic champions also includes the name of an Indian, Jim Thorpe, who won gold medals in Stockholm in 1912. When he returned home, he was accused of violating the amateur standards and lost not only his medals, but also a gift awarded to him personally by King Gustaf V of Sweden, although Thorpe had never concealed the fact that he sometimes made a few dollars by playing baseball. In 1953 Jim Thorpe died, poverty-stricken and forgotten. Incidentally, a movie about Thorpe was filmed in the United States; the leading role was played by renowned actor Burt Lancaster (the lead in the new series known to Soviet viewers under the title "Great Patriotics"). Giving in to public demand, the U.S. Olympic Committee later decided to vindicate Jim Thorpe.

There are also many record-setters among the American Olympic champions: swimmer Mark Spitz (nine medals), gymnast Ray Ewry (eight medals), Patricia McCormick (four gold medals for diving) and others.

The United States and Russia were among the 12 nations whose representatives, headed by Pierre de Coubertin, revived the Olympic Games and laid the foundations for the international Olympic movement. Princeton University Professor William Sloan and Russian General Butovskiy were among the founding members of the International Olympic Committee. Inspired by the high ideals of human self-improvement and by the boundless energy of historian and pedagog Coubertin, the founding members of the International Olympic Committee decided to revive the Olympic Games and hold them in 1897 in Greece, where they were first held in ancient times.

Coubertin based the international Olympic movement on two main principles--democracy and internationalism. In 1895 he wrote: "Healthy democracy and wise and peaceful internationalism will penetrate into a new stadium.... Every 4 years, the revived Olympic Games must give youths throughout the world the chance to take part in a happy and fraternal meeting, which will result in the gradual disappearance of the mutual ignorance in which people live, the ignorance that supports hatred, compounds misunderstandings and accelerates events in the direction of merciless and barbarous struggle."

After a great deal of effort, Coubertin, on the strength of his outstanding talent for organization and diplomacy, was able to convince the Greek Government to give its blessing to the first Olympic Games in Athens and to encourage the prominent merchant Averov to revive the Hellenistic spirit that had disappeared in the ruins of Ancient Greece. King George I of Greece was the honorary patron of the games and Averov was their sponsor. A white marble stadium was quickly erected, where 60,000 Greeks and foreign guests enthusiastically saluted the hero of the games, marathon runner Spyros Loues, who was the first to complete the historic trip from Marathon to Athens.

American athletes also stepped up to the starting line at the first Olympic Games. Since that time, they have not missed a single Olympics and have always returned home with a substantial amount of Olympic gold. Suffice it to say that during the period between the games of 1896 and the games of 1948 in London, American athletes were in first place six times in the unofficial team results and in second place five times. As for subsequent Olympic Games, in which Soviet athletes have participated since 1952, the Americans were in first place only twice, and in 1952 they shared first and second place with the Olympic debutants--the Soviet athletes. They were in second place four times, and in 1976 in Montreal they were in third place for the first time, surpassed by the athletes of the USSR and the GDR.

The United States has not only sent its athletes overseas to participate in Olympic Games, but has also organized them. The Olympics had already arrived on the North American continent by 1904. That year, the United States was commemorating the centennial of the Louisiana Purchase and was holding a world fair in St. Louis. This city did not want to be upstaged by Paris, where the second Olympic Games were made part of the 1900 World Fair. Athletes from 11 countries gathered at the games in St. Louis.

The triumph of the hosts was total. There was, however, a scandal. The first to run the marathon was Fred Lortz. Accompanied by the shouts of the joyful crowd, he climbed onto the stand for honored guests, where American President Theodore Roosevelt's daughter, Alice, was prepared to crown him with the laurel wreath of a victor. At that solemn moment, Lortz could not contain himself, started to laugh and admitted that he had won with the help of a car. It turned out that he had lost consciousness during the race and a physician, following in an automobile, picked him up for treatment. But the car broke down a few miles from the finish line, and Lortz, who had regained consciousness, was the first to cover the rest of the distance.... The enraged organizers sternly punish the joker: He was disqualified "for life." But the next year, when everyone had calmed down, Lortz was forgiven and even won the still-renowned Boston marathon. This time he did without the help of a car.

Unfortunately, another event cast a serious cloud over the first Olympic Games to be held in the United States. To amuse the world fair spectators, the organizers of the games decided to hold a competition between individuals who had been selected in advance in the city--representatives of the "uncivilized tribes": Pygmies, South American and North American Indians. These carnival attractions with their racist overtones entered the history of the Olympic Games as the "anthropological days." Pierre de Coubertin bitterly wrote that "nowhere but in America would they dare to include competitions of this kind in the program."

The Americans reaped an abundant harvest of medals at the games in St. Louis: 70 gold, 75 silver and 64 bronze. But one important fact should be borne in mind: The United States was the only country represented in many competitions. The six European countries participating in the games were represented by only 39 individuals in the competitions. This is why the struggle for the medals took place between Americans in many cases. For the first time, one of the members of the U.S. team was a black athlete, J. Poidge. He won two bronze medals in the gymnastic competitions.

In 1932 the United States held, as it were, an Olympic double-feature--both the summer and the winter Olympic Games. The winter games of 1932 were held in Lake Placid (New York), a winter sports resort that is now world famous. The beginning of the games was solemnly announced by the governor of the state, Franklin Roosevelt, who was elected President the same year. Another winter Olympiad was held in the United States in 1960, in Squaw Valley.

Incidentally, the winter Olympics of 1980 will be held again in Lake Placid, which has become, in a way, Moscow's Olympic blood-brother.

But let us return to the summer Olympics of 1932, held in Los Angeles, where athletes from 37 countries gathered. On the whole, the games were quite successful. The Los Angeles games were attended by more than 1 million spectators, which was a record number at that time. The main events took place in the Coliseum, seating around 100,000. The Olympic Games had never been held in a stadium of this kind. An Olympic village for the athletes was built for the first time. And it was a village: It consisted of tiny cottages. High-spirited cowboys, armed with lassoes, pranced alongside the wire fence around the village. One of the organizers of the games recalls that the Europeans watched with great pleasure when the cowboys skillfully threw a lasso over "any son of a bitch who tried to climb the fence."

When the games were over, all of the cottages were sold. As it was laughingly said at the time, they sold everything but the roads.

The games in Los Angeles were also extremely successful from the standpoint of sports results: 40 Olympic records were set, and 16 of them surpassed world records. American sprinters R. Metcalfe and E. Tolan ran the 100-meter track in 10.3 seconds. This record held for more than a quarter of a century, right up to the Olympic Games in Rome.

Over the years, many American cities contended for the honor of hosting the games: Chicago, Detroit, New York, San Francisco, Minneapolis, Philadelphia, Salt Lake City, Cleveland and others. As we know, in 1984 the Olympic Games will be held in Los Angeles again. All of this confirms the substantial part the United States has played and continues to play in the international Olympic movement.

The success or failure of performances by athletes from a particular country in a huge international forum like today's Olympic Games depends primarily on the developmental level of sports in the country, its place in the life of society and the social and other functions assigned to sports by this society. Here is what American sports experts have to say about this.

"If we were to say that sports in the 20th century have become a cultural phenomenon of tremendous variety and complexity, we would be stating the obvious. Sports is rapidly becoming a social institution, entering into the spheres of education, economics, art, the law, the mass media and international diplomacy. Their variety is unlimited and they affect each individual in one way or another.... Sports are becoming a strong social force, capable of creating demand, the framework of which stretches all the way from stadium season tickets to ski pants in pastel shades,"[2] sociologists John Loy and Gerald Kenyon write.

Prominent journalist Robert Boyle remarks: "Sports are penetrating all levels of society today, profoundly influencing such incomparable concepts as social status, racial relations, business life, car models, fashion... and ethical standards. Whether we like or not, sports are dictating the form and content of much in American life."[3]

In the total complex of interaction between sports and numerous spheres of American life, the connection between sports and the educational system should be, in our opinion, discussed in greater detail. It is precisely this connection that reveals the sources of new strength for amateur and professional sports in the United States.

So-called interschool sports, representing a system of competition in various sports between teams representing different schools, are a widespread practice in American high schools. The head organization, under the auspices of which interschool sports programs are carried out on the national scale, is the National Federation of State High School Associations. It unites more than 20,000 high schools with a total of 3 million male and female participants.

The schools belonging to the federation have a quite solid material and technical base: 20,000 sports auditoriums, 17,000 gymnastic complexes, 4,000 swimming pools and so forth. Table 1 presents average annual data on the number of schools and participants taking part in interschool competitions in various sports.

The athletic season in the high schools is quite full. For example, in 1976 there were more than 500,000 basketball games, 250,000 each of track and field, football and soccer meets and matches and 70,000 swim and diving meets.

Table 1

School Sports

Sports	Number of Schools	Number of Male Participants	Number of Schools	Number of Female Participants
Baseball	14,680	409,510	16	423
Basketball	20,011	688,690	11,654	307,808
Football	14,281	1,011,809	--	--
Track and field	17,102	667,974	10,387	299,215
Wrestling	9,130	319,048	--	--
Swimming	4,062	114,645	2,785	73,946
Soccer	3,356	98,482	--	--
Volleyball	2,583	43,050	8,610	198,313
Gymnastics	1,697	36,834	2,835	81,424
Water polo	385	10,644	--	--
Fencing	91	1,394	64	671
Weight lifting	36	951	--	--
Archery	8	128	253	548

Average annual data for 1975-1977 (calculated according to "The Final Report," vol II, p 370).

Table 1 shows that the traditionally popular sports of basketball, baseball, football and track and field are still preferred above all other sports. This kind of one-sided development with the emphasis on these four sports is the result of several factors, the most important of which are, firstly, the influence of universities and colleges interested in recruiting high school athletes in primarily these sports (this will be discussed in more detail below) for their teams, and, secondly, the need for the schools to finance their own athletic programs with the receipts from profitable competition.

This gives rise to a paradoxical situation which has attracted the attention of the public and educators, who are quite justifiably worried about the physical education of students. Interschool sports, emphasizing just a few team sports, are impeding the development of physical education and mass sports for all students. State departments of public education, whose prerogatives formally include physical education as a whole, cannot correct the situation because the high school sports associations in most states are not under their jurisdiction and would rather have promising contacts with universities and colleges in their own and other states.

It is obvious, however, that the developmental level and scales of interschool sports in the United States allow for the training of athletes who are highly skilled in several sports.

The largest and most influential sports organization of American universities and colleges is the National Collegiate Athletic Association (NCAA), with around 730 member colleges and universities. It holds team competitions (only for men) in 18 sports, including ten Olympic sports.

The colleges belonging to the association have 2,571 basketball courts, 790 sports auditoriums, 744 soccer stadiums, 682 track and field complexes, 603 swimming pools, 442 wrestling rings, 146 hockey rinks, 44 skiing bases and so forth. In all, sports facilities of the colleges and universities belonging to the NCAA are valued at more than 1.5 billion dollars.

Around 5,400 coaches and 2,800 assistant coaches are employed within the NCAA. Many of them coach students in two or three sports.

The total annual budget of the athletic departments (or schools) of the colleges belonging to the association is 535 million dollars a year. This is the budget for intercollegiate sports; it does not include the cost of physical education for the entire student body.

Average annual data on the number of VUZ's and participants in intercollegiate sports competitions are presented in Table 2.

Table 2

College Sports

Sport	Number of Colleges	Number of Participants
Baseball	616	19,487
Basketball	658	16,760
Football	465	42,187
Track and field	535	19,190
Tennis	608	7,445
Golf	604	6,795
Soccer	351	12,024
Wrestling	393	9,437
Swimming	382	8,667

Average annual data for 1975-1977 (calculated according to "The Final Report," vol II, p 354).

All of these data testify that sports within the higher educational system have all that is necessary for the training of high-class athletes, capable of properly representing the United States in the world Olympic arena. It should be borne in mind that, in addition to the NCAA, other large organizations are also engaged in the development of intercollegiate sports, such as the National Association of Intercollegiate Athletics (537 member colleges) and the National Junior College Athletic Association (586 in the men's group and 296 in the women's).

Here it is necessary to make several stipulations of considerable significance for the correct assessment of the role of colleges and universities in the training of athletes for Olympic Games and other international competitions.

As we know, higher education in the United States is not free, and government funding of universities is negligible. This means that intercollegiate sports programs must be financed through the colleges' own sources of income. These sources are the box office receipts from competitions in the more popular fields of sports, and income from the sale of game broadcasting rights to television companies. The most profitable sports for colleges and universities are primarily football and basketball, and college budgets envisage the highest sums for the financing of these sports. All other sports, including Olympic athletics, are arbitrarily pushed into the background. This lopsided development of intercollegiate sports is also being reflected in interschool sports.

The association between intercollegiate and interschool sports is established by extremely traditional means--the dollar--and cemented by the offer of athletic scholarships to graduating high school athletes. The fact is that the high cost of colleges makes it difficult for the offspring of limited-income families to acquire a higher education. For this reason, a scholarship offers many the only chance they would have to attend college. Moreover, many talented athletes who have graduated from high school, particularly blacks and Latin Americans, go to college exclusively in the hope of gaining 4 years of experience on college football or basketball teams and then sign a contract with a professional team, thereby gaining a career as a professional football or basketball player. The acquisition of a higher education is only a secondary consideration.

The report of the President's Commission on Olympic Sports cites average annual data attesting to the scales of some sports programs in the colleges in comparison to professional sports (the data indicate the number of spectators, in thousands; and the figures in parentheses indicate total box office receipts, in thousands of dollars)--(Table 3). The report notes that football, basketball and hockey attract 99 percent of all spectators and provide for 95 percent of total box office receipts for the entire intercollegiate sports program

By spending 154 million dollars annually on athletic scholarships, the NCAA colleges are providing sufficiently for the development of Olympic sports as well (track and field, swimming, diving and others). Successful performances by NCAA athletes in the Olympic Games and other major international competitions have always been a matter of honor and prestige for collegiate sports. For example, 330 of the 452 members of the U.S. Olympic team at the 1972 games in Munich were attending NCAA colleges. But the participation of student athletes from the NCAA in international competitions involving Olympic sports in the 1970's was impeded by serious difficulties of an organizational nature, which will be discussed below.

Table 3

College and Professional Sports

Sport	Intercollegiate Sports	Professional Sports
Football	32,388 (218,761)	13,994 (115,243)
Basketball	20,785 (76,137)	11,595 (90,744)
Hockey	6,349 (22,769)	11,009 (72,701)
Baseball	94.9 (180.1)	37,651 (97,036)
Soccer	52.8 (79.7)	1,808 (7,000)
Track and field	24.8 (142.2)	---
Gymnastics	10.3 (35.5)	---
Volleyball	5.5 (24.7)	137.7 (395.2)
Wrestling	128.4 (452.7)	3,500.0 (24,500)

Average annual data for 1975-1977 (calculated according to "The Final Report," vol II, p 456).

A special place in the U.S. Olympic movement is occupied by the Amateur Athletic Union (AAU), founded in 1888. All of its activity is financed by means of contributions from the public. The main concerns of this oldest athletic union in the United States consist in organizing competitions in accordance with standard rules, guaranteeing the accessibility of sports facilities and the opportunity to take part in competitions to all interested parties, and providing agencies representing the United States in the international arena with the strongest athletes.

The AAU is an association of sports clubs with no membership restrictions connected with age or sex. The 7,000 clubs which make up this union constitute 58 associations (with the jurisdiction of most associations coinciding with state administrative orders), divided into 15 districts on a geographical basis. This structure is supposed to guarantee more efficient conditions for the organization of competitions on various levels. More than 3,000 volunteer coaches, referees, organizers of competitive events, administrators and others work within the union.

The union organizes competitions for its members in the following Olympic sports: basketball, bobsledding, water polo, volleyball, handball, gymnastics, judo, track and field, swimming, sledding and weight lifting. Besides this, other sports are being popularized (karate, horseshoe-casting, athletic juggling and others).

As a member of the international athletic federations for track and field, swimming (water polo and diving), bobsledding, boxing, judo, sledding and weight lifting, the AAU, in accordance with the rules of international federations, has the exclusive right to represent the United States in all international competitions. It maintains contact with other countries in regard to these sports. All other national athletic organizations can only enter the international arena through the AAU. The large and powerful NCAA could not accept this condition, the struggle for the right to represent the United States in world sports resulted in an intense conflict between them, which largely reflects the critical state of American amateur sports.

Taking advantage of the fact that the international federations recognize only one national organization from each nation as the representative of this nation, the NCAA tried to establish national federations, independent of the AAU, in sports under its jurisdiction. This tactic was successful to a certain degree. For example, the gymnastics and basketball federations created with NCAA assistance were recognized by the corresponding international federations in 1971 and 1974.

The conflict between the two leading sports organizations is also reflected in the membership of U.S. teams participating in large international competitions and, consequently, in the nation's ability to compete in world sports. The failures of American athletes competing with athletes from other countries, particularly the socialist states, naturally focused government and public attention on the prolonged conflict.

In 1962, President J. Kennedy and Attorney General R. Kennedy created a commission, headed by General D. MacArthur, to resolve the conflict and guarantee the success of the United States in the 1964 Olympic Games in Tokyo. After American track and field athletes were defeated in a U.S.-USSR match in Kiev in the summer of 1965, the U.S. Congress demanded an explanation. The conflict in amateur sports became the subject of hearings before a Senate subcommittee and a special arbitration committee. Nonetheless, these and other measures to settle the conflict did not produce any noticeable results.

The unsuccessful performance of the American athletes at the 1972 Olympic Games in Munich and the subsequent angry reaction in the press and in the broadest social circles led to a situation in which the NCAA ostentatiously severed its connections with the Olympic movement and withdrew from the U.S. Olympic Committee. This threatened the athletic prestige of the United States in the 1976 Olympic Games in Montreal at a time when the nation was preparing to celebrate its bicentennial. The question of the Olympic capabilities of the United States went far beyond the bounds of sports. One bill after another on amateur sports began to be introduced in the Senate and the House of Representatives.

Just before his inauguration as the President of the United States, Gerald Ford wrote a long article for SPORTS ILLUSTRATED, in which he stated: "Not only the Russians, but many other nationalities are growing stronger and challenging us.... I cannot imagine a better way of advertising national health than healthy representation in international sports. Sports represent an exceptionally lively channel of communications. The greater these achievements are, the stronger their influence will be."[5]

In September 1975, on the personal recommendation of President Ford, a commission was formed, with its members including Senators Glenn Beall, John Culver, Ted Stevens and Richard Stone, Congressmen Jack Kemp, Ralph Metcalfe (recently deceased Olympic medal winner in 1932 and 1936), Robert Michel and Norman Mineta, Olympic medal winners Donna de Verona (swimming, 1964), Micki King (diving, 1972), Rafer Johnson (track and field, 1956 and 1960), William Toomey (track and field, 1968), millionaire professional club owner Lamar Hunt and others. The head of the President's Commission on Olympic Sports--this was its official name--was Chairman Gerald Zornow of the board of directors of the large Eastman-Kodak corporation. The commission started operating with a budget of 540 million dollars.

As a result of the painstaking and thorough work performed by the President's Commission for a year and a half, a 613-page "Final Report of the President's Commission on Olympic Sports" was submitted in January 1977 to President G. Ford and President-elect J. Carter. The NEW YORK TIMES published a brief summary of the report and commented that "the report is the most thorough and costly study ever undertaken to investigate the 'deterioration' of amateur sports in the United States and the attempts of American athletes to retain their competitive potential on the international level."[6]

What are the main reasons, according to the President's Commission, for the "deterioration" of U.S. Olympic sports?

Here is what the report says in this connection: "America's weaknesses in sports are not due to a lack of talent, as it has an abundance of talent, which has kept American participation in the Olympic Games on a suitable level. And it is certainly not due to a lack of resources, although it is clear to the commission that potential sources of financing have not been put to work and that sports facilities and structures are not being used to maximum advantage. The very thing that constitutes America's strongest feature in space exploration is its weak feature in sports--organization. American athletic organizations are isolated from one another and are not united by a common goal or an effective coordinating system.... Endless organizational battles waste time and talent and threaten the fundamental right of athletes to participate in tense competitions in line with their athletic skills. Need and abundance coexist side by side. Opportunities for men to participate in sports in universities and colleges are extensive and beneficial, but the opportunities for women and for men outside academic institutions are limited and disillusioning.... Separatism and rivalry between American athletic organizations should not exist. They are not in our tradition and they do not serve the interests of athletes and the American public."[7]

However, the commission preferred not to disclose the deep-seated causes of the decentralization of American amateur athletics, which was reflected in the chronic divergence of the leading national organizations. This is a suitable time to note that, in accordance with Article 10 of the

Bill of Rights, adopted in 1791 as a list of amendments to the American Constitution, questions of public education, among others, came under the jurisdiction of state and local governments and private organizations. In this way, physical education and sports within the system of public education were also made directly dependent on local socioeconomic and political conditions, which were characterized by sharp contrasts and contradictions.

The decentralization of American amateur sports was the direct result of a lack of nationwide (federal) management of physical education and sports--these important ways of heightening the physical fitness of the population--and the lack of centralized financing of the activities of various national athletic organizations, which was based on the bourgeois principle of "free enterprise" and competition. All of this led to the peculiar situation in which, using the words of the President's Commission, "need and abundance coexist side by side" in this field.

According to the commission, the main current objective is the fundamental reorganization of the entire structure of the national Olympic movement (athletic sports), a departure from the principle of decentralization and the creation of a "vertically integrated system," headed by a central sports agency. The proposal to create a central sports agency within the framework of a "vertically integrated system" is a compromise between the present complete autonomy of leading athletic organizations and the management of amateur sports by government agencies.

The recommendations of the President's Commission direct special attention to the need for more active participation by federal agencies of the executive and legislative branches in the further development of amateur athletics. In particular, the following recommendations are made in the report:

The President of the nation should support amateur athletics by issuing the appropriate statements on problems in sports, supporting legislative in this area and requesting the business community to promote amateur athletics;

Congress should pass joint resolutions in support of sports, plan for the financing of sports and abolish customs duties on imported sporting goods and equipment;

The administration and Congress should jointly expand the role of the armed forces and various government agencies in amateur sports, revise the federal budget with a view to the guaranteed promotion of sports and so forth.

The report of the President's Commission served as the basis for a bill on amateur sports, which was examined first by the Senate Committee on Commerce, Science, and Transportation. After the addition of various amendments and changes, the bill was examined and passed in October 1978 by the Senate and the House of Representatives, and was then ratified by the President. The law essentially reflects the fundamental recommendations of the President's Commission.

The functions of a central sports agency were assigned in the new law to the National Olympic Committee of the United States (NOC), which was charged with the following responsibilities:

To set nationwide objectives for amateur sports and encourage the attainment of these objectives;

To coordinate and develop amateur sports in the United States for the purpose of maintaining a constructive working relationship between organizations connected with sports;

To develop and support amateur sports involving the United States and foreign countries.

In accordance with this law, the NOC has the right to designate specific national organizations as the leading bodies in specific sports included in the program of the Olympic and American games. In this way, the NOC became the final authority in the nation on U.S. representation in international sports federations.

In addition, the NOC was invested with the authority to settle all conflicts arising between amateur athletic organizations. The NOC does not, however, have administrative authority over the activities of athletic organizations, which will retain autonomy in their internal affairs.

The law gave the NOC the right to request U.S. federal agencies for financial assistance. Up to the present time, federal financial support of amateur sports in the United States has been limited to tax exemptions for some athletic organizations. Now the government will be able to use federal budget funds to finance amateur sports directly. For example, plans have already been made to increase the NOC budget for Olympic team training to 40 million dollars. Besides this, in accordance with current practice and tradition in the United States, amateur sports will receive sizable sums from the business community. There is no question that the enactment of the amateur sports act will promote broader participation by private business in the financing of national Olympic potential.

The measures taken in recent years by the federal government to strengthen U.S. competitive potential in sports testify to the significance attached by ruling circles in the nation to the development of amateur athletics as "the best advertisement of national health" in the international arena.

The Americans are now engaged in the most serious and painstaking preparations for the 1980 Olympic Games in Moscow. Ample proof of this was provided in the sports festival, which was held last year in the United

States for the first time in the history of American sports. "The Soviet version of these competitions is known as the 'Spartan Games,'"[8] SPORTS ILLUSTRATED remarked at that time. When he was in Moscow, President Robert Cain of the NOC said: "We have studied your Spartan Games and have begun to hold similar contests. They are called sports festivals.... In 1979 we will hold our second festival, with a program including the final knock-out competitions for the Pan American Games."[9]

An Olympic center, equipped with modern electronic computers and medical and science laboratories, was recently opened in Colorado Springs (Colorado). Facilities at the center provide for the training of 500 athletes at the same time, in virtually all Olympic sports. The NOC and many national federations are also presently located in Colorado Springs. As we can see, the tendency toward the centralization of American sports has also taken the form of the concentration of the headquarters of various national organizations in one spot.

The Olympic Games in Moscow will be the first test of the effectiveness of the reorganization of American sports.

As the Moscow Olympics draw nearer, the American public's interest in them grows. An exhibit, "Sports in the USSR," opened in San Francisco on 18 June. It has been viewed by many people and will later be shown in several other American cities.

In his welcome message to the viewers of the exhibit, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev remarked: "The exhibit will give American citizens a better understanding of life in the Soviet nation and of Soviet achievements in the development of mass physical culture and sports, which represent an organic part of the total culture of socialist society and an important condition for securing the constitutionally guaranteed rights of the workers to recreation and health protection.

"A look at the pages of the Soviet nation's sports biography will vividly illustrate the way in which the ideals of mutual understanding and friendship among peoples in the name of peace and a better future for mankind, proclaimed in the Olympic Charter, are implemented in the Soviet Union."[10]

The Olympic roads are now leading to the capital of the Soviet Union, where an engrossing struggle will unfold this summer, with its participants representing the pick of the athletic crop, including the best American athletes.

FOOTNOTES

1. R. M. Kiselev, "Desyatyy Olimpiyskiy kongress" [The Tenth Olympic Congress], Moscow, 1975, pp 21-22.

2. "Sports, Culture and Society," London, 1969, p 3.

3. R. Boyle, "Sport--Mirror of American Life," Boston, 1963, pp 36-37.

4. "The Final Report of the President's Commission on Olympic Sports 1975-1977," vol II, Washington, 1977, p 370.

5. SPORTS ILLUSTRATED, 15 June 1974.

6. THE NEW YORK TIMES, 13 January 1977.

7. "The Final Report," vol I, p 1.

8. Quoted in: SOVETSKIY SPORT, 19 October 1978.

9. SPORT ZA RUBEZHOM, No 7, 1979.

10. PRAVDA, 18 June 1979.

8588
CSO: 1803

THE HAVANA NON-ALIGNED SUMMIT AND THE UNITED STATES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 51-56

[Article by V. A. Sokolov]

[Text] The Sixth Conference of the Heads of State and Government of the Non-Aligned Nations, held in Havana on 3-8 September, was attended by a record number of delegations--the representatives of 94 states and liberation movements, or more than 100 delegations if observers and guests are included. It became a significant milestone in the history of the movement for non-alignment, which General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev has called an "influential factor in world politics." "From forum to forum, the non-aligned states make their tremendous contribution to the consolidation of peace and international security, to the struggle against imperialism, colonialism, neocolonialism, racism and apartheid, to the recognition of the right of people to decide their own fate and to the reinforcement of the political and economic independence of the liberated countries," L. I. Brezhnev said in a telegram sent to the chairman of the conference, Fidel Castro Ruz.

The agenda of the Havana conference was made up of topical issues concerning millions of people. These were methods and means of consolidating peace and security in various parts of the world, the role of the non-aligned states in the struggle against the imperialist policy of oppression and exploitation, and the rendering of assistance to fighters for freedom and national independence.

For the first time in the 18-year history of the movement, one of its regular summit-level meetings was held in Latin America, on the soil of freedom-loving Cuba, which was one of the founding states of the movement for non-alignment.

The conference in Havana was held in spite of intrigues and maneuvers on the part of the United States and its old and new allies, including China, in an attempt to wreck the conference. These maneuvers reflected the traditional anti-Cuban U.S. policy line and the U.S. desire to interfere in the affairs of the movement for non-alignment, break up the movement and sow dissent between the developing and socialist countries.

"We are a socialist country," said First Secretary of the Communist Party of Cuba and President of the Council of States and of the Council of Ministers Fidel Castro in his speech at the opening of the conference, "but we are not trying to impose our ideology and our system on anyone inside or outside the movement.... We are confirmed anti-imperialists, anticolonialists, antineocolonialists, antiracists, anti-Zionists and antifascists, because these principles are an integral part of our beliefs and essentially represent the sources and history of the movement for non-alignment from the time of its founding....

"We are deeply grateful to the Soviet people, whose generous cooperation has helped us to survive and triumph in extremely difficult and decisive moments for our people.... And this is not only true of Cuba. Vietnam, the Arab countries that have become the victims of aggression, the people of the former Portuguese colonies, the revolutionary processes in many countries of the world and the liberation movement against oppression, racism, fascism and Zionism in South Africa, Namibia, Zimbabwe, Palestine and other regions of the globe owe a great deal to the solidarity of the socialist community. I wonder if the United States or any other nation belonging to NATO has ever, even once, assisted a single liberation movement in the world."

After a detailed discussion of the main current objectives of the movement for non-alignment, the Cuban leader stressed that there are none more important than the struggle for peace, international detente, peaceful coexistence and disarmament.

Yugoslavian President J. Broz Tito, after noting in his speech that the relaxation of international tension is in the vital interest of the nonaligned nations, advocated the extension of detente to all parts of the world, the curbing of the arms race, and universal and total disarmament. In connection with this, he welcomed the signing of the SALT II treaty. The Yugoslavian president also said he was concerned about the situation in the Middle East.

The problem of combating Israeli aggression, safeguarding the inalienable national rights of the Palestinian Arabs and achieving a comprehensive settlement of the Middle Eastern conflict was discussed by virtually all of the speakers. A group of Arab countries distributed a draft resolution to the heads of the delegations, appealing for vigorous measures to force Israel to comply with the UN resolution on the Middle East and the Palestinian problem and to suspend Egypt from the movement for non-alignment, since Egypt, by ratifying the Camp David agreements, violated the principles of the movement for non-alignment, the resolutions of previous conferences of heads of state and government in the non-aligned nations and the UN resolution. They proposed that a special session of the UN General Assembly be convened to discuss the Palestinian Arab question.

The work of the Havana forum was permeated with the desire to unite all anti-imperialist forces in a struggle for the most fundamental interests of people. "The unity of movement members is needed more today than ever before," said Chairman of the Provisional Military Administrative Council and of the Council of Ministers of Socialist Ethiopia Mengistu Haile-Mariam. "As a result of the victories of the people of Angola, Mozambique, Ethiopia, democratic Yemen, Vietnam, Kampuchea, Grenada, Nicaragua and some other countries, the positions of imperialism have been seriously undermined. But it is making every effort to retain its dominant position in various parts of the world."

No matter how contradictory the development of relations between countries subscribing to the movement for non-alignment may sometimes seem, this development is closely connected, by its very nature, with the national liberation movement, and imperialism uses the same tactic in dealing with any national liberation movement: It tries to set up one group of forces against another and to retain its economic positions in the liberated countries. This thought was clearly expressed in speeches by representatives of the people of southern, southwestern and West Africa and the Palestinian Arabs, all of whom are now fighting for freedom, independence and the exercise of their legal right of self-determination.

At present, the movement for non-alignment unites two-thirds of the states in the world. They are extremely diverse in terms of socioplitical orientation: from feudal-monarchic to socialist. In spite of all differences, however, most of them have in common their formation and development on an anti-imperialist basis. Moreover, for many of them, struggle against imperialism is associated primarily with an attempt to counteract the intrigues of the United States as the leading capitalist power of the postwar period.

The first American postwar administrations did not conceal their negative feelings about the ideas of non-alignment,[1] which not only kept the United States from conducting its bloc policy, but were already directed against neocolonialism even at that time. As early as the 1950's, U.S. Secretary of State J. F. Dulles was describing the refusal to adhere to bloc policy as an "amoral" position. In the last decade, under the conditions of the considerably increased role of the movement for non-alignment in world politics, the need to adjust attitudes toward the movement has become more and more evident to Washington.

In July 1976, then Secretary of State H. Kissinger, on a short visit in Santo Domingo, said: "I also came here to say that in a world in which non-alignment is respected and in which we are prepared to cooperate with non-aligned countries, we will nonetheless place an extremely high value

---

1. It should be noted that the term "non-alignment" itself is still rarely used in American political terminology; it is called the movement of the "developing countries," the "Afro-Asian bloc" or, in line with Beijing terminology, the "Third World."

on the countries that have invariably remained our friends." This statement probably reflects the U.S. position now as well, despite the change of administrations in the White House. Washington is striving to preserve its previous relations with its "friends," but it would also like to "cooperate" with other countries, including those belonging to the movement for non-alignment, considering its increasing influence in international affairs.

Regular conferences, once every 3 years, of the heads of state and government of the non-aligned nations have become one of the major rules governing the activities of this movement. Besides this, the conferences have turned into a prestigious international forum, where aspects of the interrelations between the developing states and the Western nations are discussed from every angle. The four conferences of this type (in Lusaka in 1970, in Algiers in 1973, in Colombo in 1976 and in Havana in 1979) not only recorded the rising number of movement members (from 54 in Lusaka to 94 in Havana), but also definitely confirmed its anti-imperialist aims; conference resolutions have condemned U.S. policy toward Puerto Rico and the Republic of Cuba, the countries of Indochina and Panama, southern Africa and Chile. The content of conference documents clearly demonstrates the determination of the majority of non-aligned countries to reinforce the general condemnation of the policy of imperialism, colonialism, neocolonialism, racism and Zionism with concrete concerted efforts to limit the once arbitrary dictates of the imperialist powers, including the United States.

In the United Nations, in place of the Western or pro-Western majority of the cold war era, there is now a new majority--the liberated nations which take an anti-imperialist stand. After encountering this, the United States had to begin a "dialog" with the movement, generally using the UN rostrum for this purpose. At the same time, it tried to discredit the movement by categorizing the coordinated policy of the non-aligned countries as the appearance of a new "automatic majority." Speaking at a session of the UN General Assembly on 23 September 1973, the U.S. secretary of state described the joint statements of these countries as "the alignment of the non-aligned." The U.S. representative declared: "We do not approve of the creation of a new bloc, distinguished only by the fact that it calls itself non-aligned."

Later, when the countries of this movement began to resort to concerted action in the economic sphere as well, Washington took more vigorous steps to undermine the movement. For example, almost a year before the Fifth Conference of Heads of State and Government of the Non-Aligned Nations in Colombo, the U.S. NEWS AND WORLD REPORT (of 16 August 1976) informed its readers that the State Department had "begun a campaign among America's friends in the group of non-aligned nations to stave off the anticipated influx of anti-American resolutions." Washington was actively assisted in this by Beijing, which persistently recommended that the organizers of the highest forum of the movement "muffle anti-American feelings." At this same time, U.S. ideologists began to advocate "genuine non-alignment as a correct and truly necessary concept in today's world."

The decision to convene the latest, sixth summit-level conference in Havana was interpreted in Washington as a sign of the radicalization of the movement. Nonetheless, in an attempt to regain the political initiative in relations with the developing countries, J. Carter and his advisers chose an essentially conciliatory style of communication with the movement for non-alignment, constantly stressing the alleged common objectives of the United States and the majority of non-aligned countries. Along with the other NATO countries, the Americans began to seek opportunities for cooperation with some groups of non-aligned countries in various international forums.

During the first months of the current administration, Z. Brzezinski, the President's national security adviser, was already expressing the view, in an article in SURVEY magazine, that an extremely important U.S. foreign policy objetive would be the involvement of as many new nations as possible in North-South cooperation and the separation of "moderate" states from "more radical" ones. Another of Brzezinski's recommendations essentially advocated stronger ties with the "new influential" countries. This advice applied primarily to U.S. relations with the movement for non-alignment.

Naturally, this change in tactics (the move from attack to dialog) does not signify a change in the actual attitude toward the movement, but, rather, attests to recognition of its strength. The United States is much more attentive and lavish with compliments in its dealings with countries that fit the American description of "genuine non-alignment," or, in other words, countries that are friendly to the West. The plan here is to gradually, on the pretext of developing stronger ties with them, spread U.S. influence to the entire movement and deprive it of its anti-imperialist and anticolonial bases. The United States is gambling on the social and ideological dissimilarities of the countries in the movement, in which the process of social and political differentiation, the demarcation of class forces and the intensification of class struggle is still going on.

Up to the present time, the policy of non-alignment has helped greatly in consolidating the political independence of the majority of liberated countries. Some of the countries that have stayed within the world capitalist economic system, however, are being influenced each day by imperialism, which is trying to create a dependent type of "second-class" imperialism in these countries and simultaneously dictate their foreign policy. It is these countries that are being relied upon most by Washington as possible allies within the movement for non-alignment.

The new climate in international relations in the 1970's has been classified by some experts in the United States as a favorable atmosphere for breaking up the movement. In their opinion, it is more difficult for the non-aligned countries to make collective decisions under the conditions of detente, as imperialism's opponents allegedly have less arguments to corroborate its aggressiveness. The idea of the "de-imperialization" of the large Western powers is being spread around to stimulate schism within the movement. This thesis, in camouflaged form, is being cultivated in the movement by some members close to the United States: They maintain that the days of imperialism are over. The theory of "rich" and "poor" nations, which is supposed to conceal the predatory nature of imperialism, is actually undergoing further elaboration. American strategists hope to use another factor for the same purpose--the increasing number of members in the movement, which, in their opinion, will complicate the collective decision-making process.

American imperialism has accumulated an extremely broad variety of means of influencing the movement for non-alignment and is constantly perfecting and renewing them. One of the most popular methods consists in setting the non-aligned countries against the socialist countries, their natural allies. It is being suggested that the socialist countries are just as responsible as the developed capitalist countries for the backwardness of the young states.

It is interesting that the United States has reacted with absolute calm to the theory of the "two superpowers," cultivated by Beijing within the movement for non-aligment. In fact, these ideas serve both the interests of Maoist reaction and those of imperialism because they conceal the indisputable fact that it is precisely the imperialist West that is to blame for the disastrous state of many developing countries.

This practice of "working over" the non-aligned countries did not, however, earn the United States the dividends for which this policy was designed. The first obvious disappointment for the United States included the reaction of most of the non-aligned countries to Washington's new campaign "in defense of human rights," which they described as hypocritical, calling it an attempt to interfere in the internal affairs of other countries. As for the Havana forum, American diplomacy, as TIME magazine reported on 17 September, "feverishly worked on the foreign ministers of the non-aligned countries for 2 months. The failure of these efforts is particularly unwelcome news."

Most of the questions discussed at the Sixth Conference of Heads of State and Government of the Non-Aligned Countries pertained directly to U.S. policy in Asia, Africa and Latin America. Although this was not the first time these questions had been on the agenda of the summit-level conferences of the non-aligned countries, the fact that the forum in Havana not only could not be undermined, but was even successful and, what is more, that the Cuban representative was elected chairman of the coordinating committee for the next 3 years, made U.S. ruling circles highly irricable. A report in NEWSWEEK (17 September) said: "The conference in Havana has upset attentive observers in Washington.... American officials saw the conference of leaders of the movement for non-alignment as a kind of judgment by default." In Washington--for the nth time--an unruly hostile campaign was launched against Cuba.

All of these intrigues were properly repudiated in conference resolutions. The political declaration, which is part of the final document of the conference, expresses satisfaction with the positive advances in the process of international detente and stresses that the principles of peaceful coexistence must become the cornerstone of international relations. In addition, it mentions the need to extend the process of detente to other regions.

The document resolutely condemns the military support given by the United States, England and other Western powers to racist regimes in Africa and the maneuvers aimed at preventing the people of Zimbabwe and Namibia and the native African population of South Africa from exercising their right to self-determination and independence. These powers, the document states, are abetting the system of apartheid and the acts of armed aggression committed by racists against Angola, Mozambique, Botswana, Zambia and other independent African states. The non-aligned countries declared that the Muzorewa puppet regime in Southern Rhodesia was illegal.

The conference condemned the Camp David agreements and the separate treaty between Egypt and Israel as documents infringing upon the inalienable rights of all Arabs, including the Palestinian Arabs, and aiding in the continued occupation of Arab territories. A decision was made to establish a special committee as part of the coordination bureau to investigate the suspension of Egypt from the movement for non-alignment as a result of its violation of the principles and decisions of this movement.

The document demanded that the United States dismantle its military bases in Cuba and Puerto Rico, which constitute a threat to peace and security in Latin America, and that the United States not prevent the Puerto Rican people from exercising their right to self-determination.

After the Havana conference of the leaders of the non-aligned states and liberation movements, where the most urgent and pressing problems of the day were discussed, the movement for non-alignment became even stronger and united in defense of the interests of the millions of people it represents.

Washington's policy toward the movement for non-alignment reflects, in concentrated form, its current policy in the developing countries. At the same time, U.S. relations with the non-aligned countries have some distinctive features. The United States, as we have pointed out, still has many ways of influencing some of these countries.

The United States can still force some members of the movement for non-alignment to diverge from the path of anti-imperialist struggle (Egypt is an example of this). The attempt to establish contacts with circles of the same class within the movement and, with their assistance, to influence movement policy would seem to be one of the more obvious elements of the U.S. line intended to change the nature and orientation of the movement for non-alignment. The tactic of breeding strife within the movement, however, is complicating Washington's attempts to engage in a "dialog" with the developing countries, which is essential to the United States as a means of solving urgent economic problems and of conducting its global strategy.

Judging by a few of the latest reports in the American press, a more realistic position in regard to the non-alignment movement is taking shape, although very slowly, in the United States. A WASHINGTON POST editorial of 12 September 1979, for example, stated: "We must listen to the protests in Havana.... This summit meeting has spoken its mind to the United States, and the United States must pay attention."

8588
CSO: 1803

WASHINGTON INTERFERENCE IN ITALIAN AFFAIRS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 57-60

[Article by P. A. Vares]

[Text] When he spoke in Baltimore in August 1979 and commented on the results of the recent parliamentary elections in Italy, U.S. President J. Carter expressed "pleasure" with the slight reduction in the number of votes cast for the ICP [Italian Communist Party] and said that the United States had an "interest" in the "undermining of communist influence in Italy." This declaration has been interpreted by political observers as the latest U.S. attempt to intervene in the internal affairs of an allied country. The only thing new about this particular case was that the intervention, as observers noted, had not been undertaken by the American Embassy or the CIA, but by the President personally.

The entire course of the latest political crisis in Italy, the most drawn-out crisis of postwar history, attests to direct or indirect intervention by Washington in its internal affairs. As we know, this crisis began in December 1978, after the fall of the five-party parliamentary majority and the resignation of the one-party Christian Democratic Government that had rested on this majority. The ICP had to withdraw from this majority when the largest Italian bourgeois party--the CDP [Christian Democratic Party]--did not keep its promises. All subsequent attempts to establish a new parliamentary majority without communist participation failed. Italian President A. Pertini called a special election in the certainty that it would be impossible to settle the crisis by other means.

Immediately after this, U.S. Ambassador R. Gardner quickly flew to Washington "for consultations." When he returned to Rome, he made public announcements, unequivocally reminding the Italian voters that the United States was "against communist participation in the government of any NATO state." A few days before the election, Secretary of State C. Vance arrived in Rome, and this was also seen by political observers as intervention in Italian affairs.

The American ambassador's consultations in Washington at times of political tension in Italy have long been regarded by the Italian public as a sign of attempts to work out and implement a policy line that would direct Italian politics into a convenient channel for Washington. In the beginning of 1978, for example, R. Gardner held emergency consultations in the White House, which culminated in the State Department's well-known anticommunist declaration. This declaration said, in particular, that the United States "does not approve of communist participation in European governments" and would prefer that "communist influence in all the nations of Western Europe decrease."

This line was reaffirmed by Washington on the eve of the special parliamentary elections of 1979.

As a matter of fact, the entire second half of the 1970's in Italy was marked by increasing U.S. intervention in Italian domestic politics. The growing influence of the communist parties in the capitalist world, which was pointed out at the 25th CPSU Congress as one of the noteworthy phenomena of the 1970's, and the increase in leftist attitudes in large segments of the Western European population became a significant factor influencing U.S. relations with several Western European states, especially Italy. The real prospect of ICP participation in the Italian Government, which became quite apparent in the mid-1970's, confused and upset U.S. ruling circles. According to the prevailing opinion in these circles, this kind of government would inflict tremendous moral damage on capitalism as a system and would give rise to substantial changes within the "Atlantic structure."

In order to prevent this, both houses of Congress adopted a resolution on 9 and 10 June 1976--that is, just before the special parliamentary elections to be held that same month--which expressed "concern for the fate of democracy and democratic institutions in Italy."

At the same time, Washington began something like a flirtation with the communist parties in the Western European countries by launching debates over so-called "Eurocommunism." In particular, American bourgeois ideologists were trying to create the impression that the United States was willing to establish contacts with "respectable Eurocommunists." The Italian communists immediately saw through this maneuver, realizing that its real purpose was to create discord between the ICP and the other communist parties of Western Europe, as well as between the ICP and the communist parties of the socialist countries. In an interview in CORRIERE DELLA SERA on 3 December 1977, ICP President Luigi Longo made the following reply when the correspondent asked him about his views on "Eurocommunism": "'Eurocommunism' does not exist and has never existed as an organized entity.... If it did exist, it would restrict the independence of individual parties. This is just a term with nothing behind it."

Special NATO military maneuvers were conducted in northern Italy to influence the outcome of the 1976 parliamentary elections; the American troops participating in these maneuvers remained in Italy afterward.

The American military presence in Italy was always assigned little importance in Washington's plans. In October 1978, the Italian magazine EUROPEO published the text of a document entitled "Guide FM 30-31." This document was a set of instructions for U.S. armed forces to follow in the event of "distabilization of the situation" in the nations categorized as "friendly" by the men who compiled the document, General W. Westmoreland; by "friendly," he meant nations within the NATO orbit with American troops stationed on their territory. The "guide" explained how various U.S. services were to act in a "friendly" nation (including Italy) when the threat of radical political change arose, and particularly in the event of an apparent "communist threat." The document contains directives for various types of intervention--from the infiltration of the "adversary's" organizations to the use of violence and the infiltration of extreme leftist groups for the purpose of instigating chaos, riots and murder.

At the present time, the largest U.S. and NATO military facilities in Italy (they total 58) are the naval base on the island of Maddalena, Signionella Base in Sicily and the naval complex in Naples, where the NATO command in Southern Europe and the command of the American Mediterranean fleet are located. An important support point of the Sixth Fleet is located in Gaeta. The command of NATO's southern European allied ground forces is located in Verona. The American Air Force has the Aviano Air Force Base in the Trieste region and the San-Vito dei-Normanni Base near Brindisi. The Americans also use bases just outside Livorno and in Vincenze. Ten air defense warning stations are located along the Italian coastline. American nuclear weapons are also located in Italy.

In February 1976, it became common knowledge that the U.S. military-industrial complex was also directly intervening in Italian affairs. The Senate Subcommittee on Multinational Corporations found documents which testified that the Lockheed Aircraft Corporation had distributed around 1 billion lira in bribes to some prominent Italian political figures in 1970-1971 to promote the sale of 14 Hercules S-130 planes to the Italian Air Force. As a result of the ensuing scandal, Italian President G. Leone had to resign.

Despite the pressure exerted by Washington and Italy's other NATO allies for the purpose of influencing the outcome of the 1976 elections, they resulted in the promotion, as we know, of the ICP to second place among the political parties in Italy. Political and academic circles in the United States and other allied countries debated the question of the proper stand to take in the event of communist participation in the Italian Government.

In June 1976, when the leaders of the largest Western nations met at a conference in San Juan (Puerto Rico), the American President discussed the need to take special measures in the event of an "undesirable turn of events." The individuals who attended this meeting worked out a plan for stronger contacts with the right wing and bourgeois-moderate segment of the Italian political spectrum, for the use of NATO as leverage and for the use of loans from West German banks as a means of "stabilizing the situation" in Italy.

Totally evil forces also wasted no time in playing their part. On 16 March 1978, the date of a major event in Italian politics--a vote of confidence was given to the newly formed government, supported by a parliamentary majority that included communists for the first time in the last 30 years--A. Moro, leader of the CDP, former prime minister of Italy and one of the realistic-minded politicians who realized the need for constructive dialog with the ICP and other democratic forces in the nation and who objected to U.S. intervention in national affairs, was kidnapped in Rome.

The Italian public was of the firm opinion that extremely influential Italian and foreign reactionary forces stood behind the actions of the terrorists from the Red Brigades. For example, EUROPEO cited statements made by two American experts (N. Birnbaum and B. Jenkins) which indicated that the "handwriting" of the kidnappers who later murdered A. Moro was extremely similar to the "handwriting" of the NATO special services and the American CIA.

Appeals for resolute U.S. intervention for the purpose of "saving Italy from chaos and communists" simultaneously became louder in the United States, as the Italian weekly PANORAMA noted. The magazine reported that a prominent role in this campaign was being played by such organizations as the Washington group called "Americans for a Democratic Italy," the "Committee for Mediterranean Freedom," the American Business Institute of New York, the AFL-CIO and large segments of Congress. The magazine made special mention of such individuals as J. Connally, former secretary of the treasury and former member of the U.S. President's advisory council on overseas intelligence; W. Rostow, former national security adviser to the President; and two former American ambassadors to Rome--Clair Luce and R. Gardner's predecessor, J. Volpe. It is known that these individuals are in close contact with the Center for Strategic and International Studies of Washington's Georgetown University, which is becoming the most influential organization engaged in the dissemination of the ideas of American rightist forces. One of its administrators is R. Cline, once a prominent CIA official. With the aid of special seminars, television programs, books and articles, the center is convincing the Americans that there is a "communist threat" in Western Europe, particularly in Italy.

A month before the latest Italian parliamentary elections in 1979, the weekly EPOCA published a document drawn up by a group of experts on Italian affairs from the U.S. Congress. The document, which is entitled "The

Communist Parties of Western Countries: Analysis and Chronology of Events," has the code name "78-34 F." It states, in particular, that the United States can institute economic and political sanctions against Italy in the event of a communist victory in the elections, and take other measures to "drive the communists out of the government."

The published document aroused so much fierce indignation in Italy that a representative of the U.S. Embassy in Rome had to assert that this document "does not reflect the views of the American Government or Congress."

We know that documents of this kind are regularly prepared by groups of experts. At the beginning of 1979, another one came to light--the so-called "Project Italy." It was discovered by CDP Political Secretary B. Zaccagnini when he went to the the United States in January 1979 to assure Washington of his party's determination to prevent ICP participation in government in any form whatsoever. He felt that this trip was extremely important for raising the stock of his party in U.S. ruling circles. It turned out that Washington already had a complete plan, drawn up by American experts, to solve the "Italian problem."

The Italian ruling class, which is just as interested as the U.S. ruling class in preserving the foundations of the bourgeois order in the nation, sometimes does nothing to prevent overt U.S. intervention in the affairs of its nation and consents to the restriction of its own sovereignty simply for the purpose of preventing progressive internal political change. But Italian dissatisfaction with Washington's attempts to "run" the domestic politics of the nation is constantly taking on greater dimensions.

8588
CSO: 1803

THE ADMINISTRATION'S SCIENCE AND TECHNOLOGY POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 60-64

[Article by S. K. Geyvandov and G. S. Khozin]

[Text] Political leaders in the United States regard science and technology as a private business and the academic community as one of the main sources of economic growth and a means of resolving some of America's increasingly acute socioeconomic problems, the number of which is still rising at the present time.

It is precisely for these objective reasons that U.S. politicians, both those in power and those campaigning for the presidency, a spot in the administration or a seat in Congress, set forth their views on major aspects of scientific and technical development and criticize the current administration for using scientific and technical potential unwisely and for ignoring the universities' vital need for development. It is assumed that all of these problems can be positively solved if a thoughtful government policy is worked out and implemented in the area of science and technology.

During the postwar decades, it has been the Democrats who have initiated many measures to create the most effective centralized mechanism of scientific and technical policy-making--a mechanism controlled by government and intercoordinated as closely as possible not only with the internal needs of the state, but also with major foreign policy objectives. When the Republicans were in power, President R. Nixon abolished the positions of the President's adviser on science and technology and the director of the White House office of science and technology in January 1973, transferring these functions to the director of the National Science Foundation. When Carter was still only a candidate for the presidency, he said that the U.S. Government should have a unified and thoroughly considered scientific and technical policy, and that the absence of the proper policy-making machinery in recent years (after Nixon's decision) had led to the aimless squandering of resources and the disruption of coordinated efforts to implement national science policy. In spite of the fact that the law on the organization of principles and priorities of scientific and technical policy of 1976 was signed by Republican President G. Ford, it reflected primarily the Democrats' views on government scientific and technical policy. The Democrats also played a much more substantial part in working out the concepts and text of the future law.

The "First Annual Report on Science and Technology," submitted to Congress in October 1978 in accordance with the abovementioned 1976 law, was one of the important documents of the current Democratic Administration. In a letter accompanying the document, President Carter pointed out, in pretentious terms, the significant part played by science and technology in satisfying the social needs of American society. The technological revolution is "promoting economic growth and productivity, the provision of the planet's population with food, the protection of the environment and the preservation of health and is also playing an important role in safeguarding national security." The report also contained a sober confession: "The experience of recent decades teaches us that we expect too much from scientific and technical 'breakthroughs.' Let us recall at least the following expectations: that antibiotics would wipe out disease, that the atom would give us unlimited sources of energy and that the green revolution would put an end to hunger on the planet. The failure of technical development to meet our expectations was largely due to the fact that a new discovery does not only satisfy existing demands, but also, and almost simultaneously, creates new ones."

It is noteworthy that R. Atkinson, director of the National Science Foundation (this organization co-authored the report along with the President's Scientific and Technical Policy Administration), admits that although science and technology can aid in solving social problems, they are rarely capable of their complete resolution, because "this also requires complex economic, organizational and political measures."[1]

The Democratic Administration's main practical recommendations, set forth in the President's report, in regard to the funding and principal directions of scientific research and development in fiscal year 1979 were the following: an increase of 5 percent ("over and above the rate of inflation") in appropriations for fundamental research; the continued development of the space shuttle; the abandonment of the experimental breeder reactor project in Clinch River (Tennessee); the expansion of the scales of weather research through the combined efforts of many agencies and research organizations.

One new feature in the Democratic Administration's attitude toward the development of U.S. technological potential was the desire to guarantee long-range goals and priorities in the field of research and development more reliably and to communicate an awareness of the importance of this activity to all organizations and political groups. Besides this, considerable attention is being given, at least in official documents, to the enhancement of the profitability of research and development appropriations and their closer coordination with many urgent needs and crises in American society. In particular, the annual report on science and technology mentions a research project, begun with the authorization of President Carter, to study the very process by which technological innovations are developed and disseminated. This study is being conducted by many organizations under the general supervision of the Department of Commerce and should culminate in the submission of concrete recommendations to the President on federal government policy aimed at the intensification of industrial activity in the incorporation of innovations.

---

[1] For a discussion of trends in U.S. research and development, see V. M. Kudrov, "Research and Development: American Problems," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 10, 1979.

An important stage in the subsequent development of the Democratic Administration's scientific and technical policy was the President's message on science and technology, submitted to Congress on 27 March 1979. This message clarified the domestic research and development priorities of the United States and illustrated the connection between work on the development of technological potential and the possibility of attaining major political and economic objectives in the international arena.

In terms of structure and content, the President's message could be categorized not only as an annual document informing the legislative branch of the administration's precise views on the potential of science and technology and substantiating the highest priorities within the nation and in the international arena, which are to be attained through the use of the results of scientific and technical progress, but also as an attempt to announce the fundamentals of long-range government scientific and technical policy (which is in line with the Democrats' views on these important U.S. problems). The introductory portion of the message frankly states that the federal government has "rarely formulated its scientific and technical policy for the future. This message sets forth this kind of policy." Just as in other documents of this kind that have made their appearance since the time when the Democratic Administration arrived in the White House, the introductory part of the message mentions the opportunities provided to American society by the development of science and technology. But Carter discusses them in a more "utilitarian" fashion, relating them closely to daily experience. He believes, for example, that science and technology "were the main factors contributing to [economic] growth, guaranteed employment and higher productivity through the incorporation of innovations." According to the President, all of the American Government's plans will depend largely on the development of science and technology. In connection with this, he declared his intention to work with Congress in the coming months on the resolution of problems directly related to the development of American and world science and technology. These include, above all, strategic arms limitation, national health care, sufficient energy supplies, scientific and technical innovations in industry, and economic growth. The President appealed to all members of Congress, regardless of their party affiliation, to support the efforts of the Democratic Administration in the development of science and technology in the future.

The range of topics discussed in this message is broader than in the first report on science and technology that was issued a few months earlier. Pointing out the importance of fundamental scientific research and development, Carter mentions his previous proposal to increase appropriations for this purpose 26 percent in the first 2 years of his term in office, and reports that this item in the federal budget will rise to 4.6 billion dollars in fiscal year 1980.

Singling out six main aspects of scientific and technical policy (the more intensive incorporation of innovations in industry; the satisfaction of demands for energy, mineral and raw materials and food; the improvement of health; the improvement of forms and methods of government control of science and technology; the expanded practical use of outer space; the in-depth study of natural processes, natural calamities and anthropogenic changes in the world), President Carter focuses on the need for practical methods of attaining these objectives. The desire to ensure the economic profitability of as many projects as possible, and within a short period of time (this tendency is not only apparent in the abovementioned documents pertaining to the scientific and technical policy of the government as a whole, but also in several reports and speeches by Democratic Administration leaders on energy problems, outer space and environmental protection, as well as in the passage of a law to reduce earthquake damage in 1977 and a law on a national program of climate studies in 1978, the creation of the Federal Agency of Natural Disaster Control and so forth), aroused criticism from a certain segment of the political and scientific communities for the obvious features of "immediacy" and "excessive pragmatism" in the administration's scientific and technical policy. A particularly eloquent statement was made by American journalist N. Cousins in a debate in the American Institution of Aeronautics and Astronautics. In particular, he criticized the Democratic Administration's decision to heighten the economic profitability of the space program. "If the cost-effectiveness principle had been dominant throughout history, Socrates would have become a babysitter, Newton would have been a gardener, Galileo and Giordano Bruno would have been court jesters and Columbus would have had the gondola concession in Venice. Thomas Jefferson would have been a tax collector.... Edison would have invented Coca-Cola, and Einstein would have changed his name and stayed in Germany."

Cousins' words convey the nostalgia felt by many Americans for the first postwar decades, when the United States was building up its arsenal of nuclear missiles, preparing for a moon landing and so forth within the framework of "rush" national scientific and technical programs. This made many people in the United States, and in several other countries as well, believe that America's scientific and technical potential was virtually unlimited. Cousins is thinking along these very lines when he says that "great leaps are still the most reliable way of reaching high levels."

A sober assessment of the real potential of American science and technology, however, forced the Democratic Administration to realize that it was obviously not boundless, and that the control and regulation machinery at the administration's disposal was far from perfect. It was no coincidence that Carter makes special mention in his report of the problems of government regulation of the development and practical use of new technology. He stresses that the increase in research and development appropiations should be accompanied by the improvement of the so-called "regulatory programs," which are being carried out mainly by the Environmental Protection Agency, the Food and Drug Administration, the Occupational Safety and Health Administration and a number of other agencies. The message proposes concrete measures, which the administration intends to institute in the near future. A council created in the fall of 1978 for the regulation of scientific and technical activity, for example, is supposed to submit proposals pertaining to the content of programs, the use of resources and the methods of improving the management of this activity by governments; a special interdepartmental group would be expected to coordinate the activities of organizations performing regulatory functions and research establishments; work will begin on a comprehensive national toxicological program, for testing and evaluating the properties of harmful chemicals.

A long section of the message was devoted to the role of science and technology in guaranteeing the national security of the United States. The following were singled out as priorities: the guarantee of "technological leadership" in weapons systems; the reduction of the cost of producing weapons systems through the use of scientific and technical achievements; the establishment of a research base for guaranteed national security in the future; the limitation of exports of technical achievements and technology with potential military value; the use of the latest scientific and technical achievements in the interest of concluding new arms limitation agreements.

Despite all of the contradictory statements in this section of the message, which clearly demonstrates a desire to grant certain concessions to the military-industrial complex, which has an interest in the further unlimited militarization of research and development, the section also indicates new attempts to find ways of limiting and curtailing the arms race. The following words from the President's message are obviously a rebuke addressed to the opponents of SALT II, who maintain that the loss of military facilities in Iran has made adequate control over the observance of present and future strategic arms limitation treaties and agreements impossible: "The technical means at our disposal for exercising control over the fulfillment of arms limitation agreements offer excellent possibilities."

The message concludes with the assertion that the United States has entered an "era of unprecedented growth in the volume of scientific information and its utilization by society." Many of the practical recommendations in the message are already being implemented by the Democratic Administration. The consistency with which science and technology in the United States will adhere to this course and the results of this long-range program will be revealed in the future.

8588
CSO: 1803

PUBLIC OPINION AND THE ELECTION CAMPAIGN

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 64-70

[Article by N. P. Popov]

[Text] In less than a year, the American voters will elect a President, a third of the senators and all members of the House of Representatives. A complex struggle between various political forces and powerful financial and industrial groups is going on behind the scenes over campaing preparations. This is the time when the study of public opinion becomes particularly important to prominent political leaders, particularly those running for an elected office. It is important for campaign strategists to know the voters' views on domestic and foreign policy problems and on the administration's attempts to solve these problems. There is still time to adjust campaign platforms and promises, and representatives of the administration still have time to take impressive actions, calculated to appeal to the voter.

In a nationally televised speech on the administration's energy program on 15 July, J. Carter complained about the "crisis of faith," a crisis, which, in his words, "strikes at the very heart, soul and spirit of our national will." "The symptoms of this crisis," the President said, "can now be seen all around us. Most of our people believe that the next 5 years will be worse than the last 5. Two-thirds of our people do not even vote. The productivity of American workers is decreasing. There is mounting disrespect for government, the church, the schools, the media and other institutions."

Numerous studies corroborate this description of the attitudes of large segments of the U.S. population at the end of the 1970's.

Public opinion polls illustrate how national priorities have changed in the American public mind over the last 30 years. The regularly conducted Gallup polls testify that in answer to the question--"What is the most important problem facing the nation today?"--an overwhelming number of respondents in the 1950's and most of the 1960's named foreign political problems, the fear of the atom bomb and the disturbances connected with the American intervention in Southeast Asia. Social and, above all, racial problems were also assigned first place more than once in the 1960's.

After the failure of the United States' Vietnam adventure, the Americans lost most of their interest in foreign policy, and foreign policy problems were now being called the most important by no more than 10 percent of the population. In the last 6 years, the Americans were mainly worried about economic problems. First place among these was assigned to inflation, which reached its peak in 1974 (11 percent) and now exceeds 10 percent a year. In October 1974, it was regarded as the nation's most serious problem by 79 percent of all respondents, and even now more than 70 percent still call it the main problem. In the spring of 1979, 84 percent of the Americans believed that prices were rising more quickly than 1 year ago, and 78 percent expected them to rise at the same rate or even more quickly the next year--the election year.

Inflation is affecting all population strata. Around 69 percent of the Americans say that "it is more difficult to make ends meet"--that is, that their economic position is worse. The ones who suffer most from the rising prices are the people on the lowest rungs of the economic ladder--the poor, the unemployed, the semiskilled workers, the blacks and the Spanish-speaking population.

The administration's helplessness in the struggle against inflation is giving rise to increasing pessimism in the Americans in regard to the ability of the economic system to solve this problem. For example, whereas 62 percent of the individuals polled in 1975 believed that inflation could be lowered to 1.2 percent a year in the future, and 38 percent believed that prices would continue to rise, 88 percent of those polled in 1978 regarded high inflation as an inevitability in the future as well, and only 12 percent were expecting it to drop to 1-2 percent.

The uncontrolled rise in the cost of living even overshadowed the problem of unemployment for sizable segments of the population. Just before the last presidential election, when unemployment, at the height of the latest crisis, reached a record level for the postwar period--around 8.9 percent (and 13.7 percent among blacks)--the campaign promises made by J. Carter to reduce unemployment were extremely appealing. Although the level dropped to 5.7 percent in the next 6 months, the problem still exists, and it is as urgent as ever for non-whites, youth and women.

The energy problem has become a new cloud on the campaign horizon. There are kilomenter-long lines at the gas pumps. For America, where the automobile is the chief means of transport, this is equivalent to a national disaster, and the administration's inability to correct the situation is having a substantial effect on public attitudes. According to the results of a Gallup poll of May 1979, 44 percent of the population regarded the energy crisis as an "extremely serious" problem, 36 percent said it was "quite serious" and only 16 percent did not believe it was serious. The overwhelming majority (77 percent) believed that the gas shortage had been artificially created by the oil companies as a way of raising their already high prices.

The victory of the Democratic Administration in the last election was largely a result of dissatisfaction with 8 years of Republican rule, the failure of the Vietnam adventure and the Watergate scandal. The time has come to evaluate the performance of the new administration, particularly in the economic sphere. The hopes for economic progress, which were aroused by campaign promises, are now giving way to disillusionment. A spring (1979) Harris poll reflected the following public opinion of Carter Administration policy (in percentage values):

The Economic Policy of the Administration Will:	Agree	Disagree	Undecided
Reduce inflation	20	68	12
Stop the decline in the exchange rate of the dollar overseas	23	58	19
Increase unemployment	46	41	13
Create more difficulties for the elderly, the poor and the disabled with a fixed income	64	27	9

The widespread pessimism in regard to government programs led to a situation in which they were supported by only 44 percent of all respondents in March 1979 in comparison to 63 percent in November 1978.

It is extremely difficult for the average American to understand the real causes of inflation. He blames big business for escalating prices and large unions for their attempts to keep up with inflation in salary levels, but he assigns most of the guilt to the government. Whereas in 1959 this was the opinion of 20 percent of all Americans, in 1978, according to the data of the Harris service, 76 percent regarded "federal spending" as the main reason for rising prices, and 60 percent accused the administration of having "no federal policy" on price controls. The other "important causes" of inflation that were mentioned included the following: "The rising cost of medical treatment" (75 percent), "rising food prices" (74 percent), "the escalation of prices by big business" (60 percent), "the rising price of energy" (59 percent) and "union demands for higher wages" (57 percent).

According to American experts, the 1980 campaign will mainly be colored by "bread and meat" problems--questions connected with the economic conditions of the population. It is precisely here that the candidates for the presidency and for Congress will have to prove their ability to bring about real changes for the better. As yet, the current administration has been unable to do this. The mood of the public was also reflected in the results of a Harris poll in April 1979: 81 percent believed that until President J. Carter "proves that he can deal effectively with inflation and the energy crisis, it would be difficult to say if he is a good President"; 16 percent did not agree with this opinion, and 3 percent were undecided.

The worry over economic problems has temporarily pushed other urgent national problems into the background. When the Harris service asked people to name the most urgent national problems of the day, inflation was named by 69 percent of the respondents, the need for cuts in government spending was named by 31 percent, the creation of jobs for the unemployed by 30 percent, medical cost control by 28 percent, crime prevention by 23 percent, social security reform by 20 percent, the fight against air and water pollution by 13 percent, the "fight against tax loopholes" by 10 percent, a new national legislative program to deal with energy problems by 8 percent, welfare reform by 7 percent, reduction of the federal bureaucracy by 7 percent, a guaranteed adequate income for senior citizens by 7 percent, the problems of the cities by 6 percent, consumer protection by 5 percent, the fight against "Medicaid" abuses by 5 percent, the creation of a national health plan by 5 percent, the fight against the abuse of power in big business by 5 percent, the funding of medical research by 3 percent and the restriction of the influence of large companies by 1 percent.

When the attitudes of black and white Americans toward government allocations for various social needs are analyzed, it turns out that they are strikingly different. The black population, which is still suffering from economic inequality, expresses particular interest in some specific spheres. For example, whereas the blacks and whites had similar views on the need for government assistance for the aged--94 and 81 percent respectively, the improvement of medical care was favored by 92 percent of the blacks and 67 percent of the whites, guaranteed housing was favored by 87 and 55 percent respectively, urban ghetto reconstruction was favored by 87 and 54 percent, social security for low-income families was favored by 80 and 39 percent and, finally, the improvement of conditions for the black population was favored by 90 and 44 percent respectively.

When we discuss general attitudes in regard to the racial problem at the end of the 1970's, we must note that the years of struggle by the blacks for their rights, with the support of progressive segments of the public, resulted in significant changes in the attitudes of the white population toward the blacks. In 1978, 84 percent of the whites were willing to vote for a black candidate for the presidency "if he displayed the necessary qualifications for this office"; in 1958, however, only 42 percent of all respondents were of this view. In 1977, 72 percent of the whites (in comparison to 49 percent in 1965) objected to the laws against miscegenation in some states. In 1978, 93 percent of the population (in comparison to 70 percent in 1956) felt that "blacks, just as whites, have the right to live where they want, and it is illegal to prevent them from moving into white neighborhoods." These data reflect changes in the white American mind, in which racial prejudices were cultivated for centuries.

Significant changes have also taken place in the views of the public, particularly the male half, on the status and role of women in society. In 1978, 81 percent of all respondents said they would vote for a woman for President if a suitable woman candidate were to run, in comparison to 32 percent in 1937 and 50 percent in 1949. A significant majority (72 percent in 1978) approved of the desire of women, even married women, to work (only 24 percent approved of this in 1945). But this approval has not yet taken the form of mass support for the Equal Rights Amendment to the national Constitution, which includes a stipulation concerning equal wages. Only 55 percent approve of this amendment at present. The support for this bill has even decreased in recent years--mainly as a result of high unemployment (66 percent were in favor of this amendment in 1976).

As the 1980 election approaches, politicians are wondering more about the political views of the voting public. After all, voters' attitudes must be taken into account when election slogans are invented. In political speeches and in bourgeois press articles, the opinion is frequently expressed that the nation is moving to the right, that a return to conservative ideals has succeeded the wave of antiwar protests, youth demonstrations and antiracist riots of the recent past. Consequently, politicians of rightist leanings are raising their heads and claiming voter support for their views.

In fact, however, there have been contradictory, far from simple or unequivocal, tendencies in the public mood. At the beginning of the 1970's, the antiwar movement declined after the end of the intervention in Vietnam. Black unrest also died down after the black population won some victories in the area of formal equality. The criticizing attitude of much of the population toward bourgeois society and its institutions, however, has not only failed to decline, but is even growing more pronounced. The only people who moved toward the right in America in these years were rightist to begin with. Frightened by the wave of social protest in past years, the rightists have become more active. And since it is precisely these people who own most of the media and channels of propaganda, their voices can now be heard above the rest. As a result, according to sociologist E. Ladd, "many observers of the American political scene began to believe that the nation was 'moving to the right,' and many politicians began to act as if this were really happening."

Another factor contributing to the arbitrary interpretation of the development of political attitudes in the nation is the difference in definitions of the very concepts "conservative" and "liberal," "right" and "left." In American politics, these concepts have never been clearly delineated, and their interpretation has changed repeatedly in recent decades. Many beliefs that were recently regarded as just short of sedition are now shared by the majority of the population. It is interesting, however, that according to the data of the Gallup Institute, 33 percent of all respondents call themselves conservatives in 1978, 24 percent said they were liberals and 43 percent described themselves as "moderates." The data of the Harris poll were 35, 21 and 45 percent respectively.

On the other hand, in spite of the typical conservative belief that the "free enterprise" system should "run itself," the majority of Americans are now in favor of government regulation of economic processes. Some 74 percent believe that the government should guarantee people jobs (62 percent in 1956); 81 percent feel that the government should finance medical assistance for the population (60 percent in 1956). A majority (57 percent as compared to 31 percent) even favors such an overt form of government intervention in the prerogatives of free enterprise as the institution of federal price and wage controls. But these views are inherently contradictory. When the question was phrased in more general terms--"Should the government regulate business activity?"--even many of those who called themselves liberals answered in the negative (a positive response was given by 49 percent of the liberals, 36 percent of the "moderates" and 27 percent of the conservatives). At the same time, those who called themselves conservatives expressed far from "conservative" views on some measures. For example, when respondents were asked whether the government should guarantee blacks equality in employment and housing," a positive answer was given by 79 percent of the liberals, 73 percent of the "moderates" and 67 percent of the conservatives.

General recognition of the injustice of the socioeconomic system is apparent. This is attested to by the responses to the following poll statements: "The rich get richer and the poor get poorer"--77 percent agreed in 1977 (45 percent in 1966); "Privileged groups get more from the government than the average citizen" (76 percent agreed); "The tax laws help the rich, and not the average citizen" (73 percent agreed); "Most of the people in elected positions are in politics to gain personal advantages" (65 percent agreed), and so forth.

The widespread sense of alienation from the socioeconomic system is accompanied by growing mistrust in the fundamental institutions of bourgeois society. Soon after the Watergate scandal, only 11 percent and 9 percent expressed a "high degree of trust" in the executive and legislative branches respectively. A great deal of time has gone by, but only 30 percent of the population now trusts these authorities.

In reference to the mood of the workers, General Secretary G. Hall of the Communist Party of the United States of America writes: "There is obvious anger, at times a sense of shattered hopes and confusion, but not a shift to the right." Noting the wave of mass demonstrations by the unemployed and by fighters for civil rights and the grand scales of the strike movement, G. Hall concludes: "Since all of this occurred within a period of a few months, it is clear that the shift is not to the right. These actions signal the beginning of a mounting enthusiasm for mass struggle."

The process of erosion in the public's trust in bourgeois institutions has also affected the two bourgeois parties. Here the basic tendency has been a decline in the number of Republicans over the last 30 years (from approximately 35 percent to 20-23 percent) and a rise in the number of "independent," who do not affiliate themselves with either party (from 20 percent to 30), with little change in the number of Democrats (45-48 percent).

This is also attested to by voter support for the candidates of the other party. This was noticed in the 1976 election and is anticipated in 1980. There has been a departure from the tradition of voting according to party affiliation; votes now depend more on the candidate's position on major issues.

Clear evidence of voter dissatisfaction with the existing two-party system can be seen in the increasing support for the idea of a third party. A Gallup study conducted in the summer of 1979 showed that 37 percent were in favor of its creation, while 48 percent disapproved.

An indication of voter dissatisfaction with the candidates of both bourgeois parties can be seen in the indifference to election results and the failure to vote. In the last election, around 47 percent of the voting public did not take part in electing the nation's President. The main reasons given for this were the following: "I did not like either candidate," "I have no interest in politics" and "It was too much trouble to register."

Foreign policy issues will occupy a significant place in the current campaign.

The negotiation of a separate peace treaty between Israel and Egypt aroused a great deal of interest in the United States from the very beginning. The personal involvement of the American President in these talks in the capacity of a mediator lent them a special air of drama. When the President announced at a joint session of the Senate and House of Representatives in September 1978 that a peace had been negotiated, his popularity rose: According to public opinion polls, 56 percent of all respondents felt Carter was doing a good job after the decisive meeting of the three leaders (only 39 percent expressed this view prior to the meeting). After a few months had passed, however, many Americans realized that a separate bargain could not bring peace to the Middle East. According to a Gallup poll, at the end of March only 28 percent believed that "the agreement will result in lasting peace between Egypt and Israel"; 58 percent disagreed. The positive evaluation of the President's performance declined to 39 percent at the end of March, largely as a result of the change in public attitudes toward this agreement.

The establishment of diplomatic relations with China met with the approval of the Americans. The Chinese aggression against Vietnam, however, led to a definite cooling of attitudes toward the PRC: 47 percent of all respondents (as against 38 percent) felt that "China acted treacherously by first establishing good relations with the United States and then beginning a dangerous war in Vietnam." Therefore, even relations with China cannot serve the administration as a strong trump card in the coming election.

Given the present state of Soviet-American relations, the SALT II treaty will figure prominently in the Washington Administration's "service record" in the coming campaign.

The overwhelming majority of Americans invariably supported the SALT II negotiations. For the last 3 years, this support has steadily held at 75 percent. A poll of February 1979 was typical: 72 percent supported the signing of a treaty, and only 16 percent were against it. An overwhelming majority of 85 percent, as against 11 percent, felt that "now that the United States and Russia are capable of destroying one another with atomic weapons, it is vitally necessary for both countries to reach an agreement on nuclear arms limitation." Respondents also expressed the desire, however, for military corroboration of the fact that the treaty would aid in protecting U.S. security. According to the data of this poll, 65 percent of the respondents, as against 22 percent, agreed with the following statement: "If our military leaders and the heads of the Defense Department said that the SALT II treaty with the Russians is a good deal for us, the Senate should ratify this agreement." As we know, both the Joint Chiefs of Staff and the heads of the Department of Defense approved of the treaty, but some senators are still in no hurry to support it. Their position diverges from the prevailing opinion in the nation. The struggle between the supporters and opponents of the SALT II treaty is still gaining in intensity. The results of this struggle will indisputably affect the course of the campaign.

8588
CSO: 1803

TRENDS IN THE U.S. AUTO INDUSTRY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 71-80

[Article by N. I. Kistanov and R. A. Mishukova]

[Not translated by JPRS]

CSO: 1803

THE SALT II DEBATE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 81-84

[Article by P. T. Podlesnyy]

[Text] The first stage of the discussion in the American Senate of the Treaty Between the USSR and the United States on the Limitation of Strategic Offensive Weapons (SALT II), signed by General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev and U.S. President J. Carter at a meeting in Vienna, took place in two Senate committees--the Committee on Foreign Relations (from 9 July through 2 August) and the Committee on the Armed Services (from 23 July through 2 August). The discussion was resumed at the beginning of September, after the summer recess. The Senate Committee on Intelligence will also submit its conclusions on this treaty. In accordance with existing U.S. legislation, when the hearings are concluded, the Committee on Foreign Relations will recommend that the Senate approve or disapprove the ratification of the SALT II treaty. The Committee on the Armed Services, on the other hand, does not have the power to make such recommendations and will only submit a summary of its hearings to the Senate. After this, the treaty will be discussed by the entire Senate and will be voted on at the end of November.

When he opened the hearings, Chairman F. Church of the Senate Committee on Foreign Relations requested his colleagues to approach the issuance of a verdict on the SALT II treaty as responsibly as possible. "The implications of SALT," he said, "are quite tangible. The committee's decision could affect the way in which billions of American tax dollars are spent. It is even more important that our decision in regard to the treaty could seriously contribute to the success or failure of more encompassing efforts to stabilize Soviet-American relations."[1]

The discussion of an agreement of such importance to both nations and to lasting world peace aroused tremendous interest in the United States and other countries. Suffice it to say that around 30 authoritative representatives of the administration and American political, military and scientific circles testified during the 4 weeks of hearings in both

Senate committees, stating their views on the significance of SALT II for U.S. security and the future development of Soviet-American relations. An examination of these views indicates that there is a fairly complex alignment of forces, either favoring the ratification of the treaty or against it, in the American Senate and in U.S. political circles in general.

The opponents of SALT II are mainly trying to prove that this treaty is "unfair" to the American side, that the United States was "too soft during the negotiations" and so forth. This was precisely the stand taken at the hearings by the heads of the Committee on the Present Danger, P. Nitze and W. Rostow, retired military men E. Roney, E. Zumwalt, T. Moorer and others, and Senators H. Jackson, J. Tower and B. Goldwater.

For example, P. Nitze said that "peace without SALT might be better than peace with SALT, since this would force America to seriously strive to always stay ahead of the Russians." Rostow expressed himself quite frankly also, stressing that he would applaud the rejection of SALT II by the Senate if this step were to be accompanied by a "new offensive line" in U.S. foreign and military policy. The opponents of the SALT II treaty are demanding the addition of certain amendments that would actually signify a revision of many central provisions of the agreement and its protocol. An example of this can be seen in the "amendments" (for example, the one proposed by Republican Senator J. Garn from Utah and P. Nitze) which would pressupose the inclusion of a Soviet bomber, called "Backfire" in the United States, in the strategic arms level agreed upon, the authorization of the United States to deploy land- and sea-based winged missiles with a range of 1,500 miles, and so forth. Senator G. Hart (Democrat, Colorado) has admitted that the opponents of SALT II "hope to bring about the failure of the treaty by introducing amendments."

The SALT II debate is demonstrating that there are still some individuals in the United States who will not openly oppose the treaty--or, what is more likely, feel it would be unwise to reject it--but are nonetheless trying to make the ratification of the treaty conditional upon the further buildup of U.S. military strength and changes in Soviet policy in certain parts of the world. This view was expressed in similar statements by former Supreme Ally Commander of NATO Forces in Europe A. Haig and former Secretary of State H. Kissinger, as well as H. Sonnenfeldt, State Department adviser under the Nixon and Ford administrations.

"The refusal to ratify a treaty drawn up at the end of 7 years of negotiation," Kissinger said at the hearings, "would undermine confidence throughout the world in our ability to know what is good for us and to achieve harmony between different branches of government." He also recommended that the Senate approve the treaty only after the administration has submitted a program for the further buildup of U.S. military potential to Congress, and before the end of the current session, and stipulated that this program should envisage the accelerated development of the MX and Trident-2 strategic systems and systems of tactical nuclear weapons, reinforce the U.S. military presence in several parts of the world and accelerate the modernization of the American Navy.[2]

The acceptance of this condition would actually signify an increase of 7-8 billion dollars a year in the U.S. defense budget. The authors of these ideas are obviously trying to use the debate as a pretext for a new round in the arms race. Besides this, some of the advocates of "connecting" the ratification of SALT II with a more intense arms race are obviously motivated by temporary political factors related to the new election campaign in the United States and totally unrelated to detente and the curbing of the arms race.

The supporters of the treaty believe that the significance of this document should be assessed on its own merits, and not in connection with other, unrelated issues. These views were expressed by Senators E. Kennedy, G. Hart, F. Church, J. Culver, J. Biden and others, as well as prominent American political figures J. Smith, P. Warnke and A. Johnson, who all headed the American SALT delegation at different times (the first two were also directors of the U.S. Arms Control and Disarmament Agency).

Smith, in particular, discussed a number of ways in which the rejection of the treaty could have a negative effect on U.S. relations with NATO allies. According to Smith, given the present instability of relations with allies, "the rejection of this treaty would endanger economic and political cooperation and the coordination of military policy. The prestige, influence and leading role of the United States in the world would suffer greatly." He advised against the introduction of amendments to the treaty and called for its ratification and the quickest possible commencement of talks "on the extensive reduction of armed forces."[3]

"The treaty," stressed, in particular, Senator E. Kennedy (Democrat, Massachusetts), "will strengthen the security of the United States and its allies, reduce the danger of nuclear war and begin the process of establishing genuine control over nuclear armaments."[4] Former U.S. ambassador to the USSR, prominent figure in the Democratic Party A. Harriman, declared that the SALT II treaty would serve as a basis for greater stability in relations between the USSR and the United States. "There are many areas," he said, "in which we are vitally interested and on which the ratification of the SALT II treaty will have a positive effect."

Nonetheless, some supporters of the treaty want to include several "reservations" or "explications" in the Senate resolution of consent to the ratification. These would not require any change in the text of the treaty, but they would set forth the Senate's interpretation of some of its provisions. For example, Chairman F. Church of the Senate Committee on Foreign Relations (Democrat, Idaho) and J. Javits, a member of this committee (Republican, New York), declared their intention to introduce several "reservations" or "explications" which, in particular, would stipulate that nothing in the treaty or the protocol to the treaty would affect the existing forms of cooperation between the United States and its allies or interfere with the development of this kind of cooperation in the "modernization" of NATO weapons, and that the protocol to the treaty (in whole or in part) can only be renewed by two-thirds of a Senate quorum. Similar or identical proposals in regard to "reservations" were made by other senators, particularly C. Percy. G. Hart and J. Biden, as well as Senate Majority Leader R. Byrd. Obviously, these proposals reflected the attempts of their initiators to "reconcile" Senate support of the SALT II treaty with U.S. plans to deploy new weapons systems.

It should also be noted that there was some criticism of the treaty by the "liberal" wing of the Senate and representatives of the American scientific community, who, so to speak, lost sight of reality and possibility by accusing both Washington and Moscow of a reluctance to immediately agree to the more comprehensive limitation of strategic weapons. This opinion was expressed by R. Barnet, former director of the Washington Institute for Policy Studies, Chairman J. Stone of the Federation of American Scientists, and Senators G. McGovern, W. Proxmire, M. Hatfield and A. Stevenson.

The supporters of arms race de-escalation, however should have been aware that, in the first place, this issue--as Washington's reaction to concrete Soviet proposals demonstrated--will depend primarily on the United States and, in the second place, that the SALT II treaty cannot solve all problems of strategic arms limitation at once, much less the arms race as a whole. There is no question, however, that it will serve as an obstacle in the most dangerous sphere--the nuclear missile sphere. As P. Warnke stressed in his speech, he would also have preferred that the treaty envisage "stricter limits on nuclear weapons," but "it turned out to be impossible to conclude a more far-reaching treaty at this time."

Leading administration figures also submitted convincing arguments in support of the treaty. They noted that the Senate's failure to approve the treaty would have a negative effect on Soviet-American relations as a whole, would lead to an additional increase in U.S. military spending and the rapid proliferation of nuclear weapons throughout the world, would arouse a negative response from the United States' allies, and would cause the world public to regard the United States as an enemy of detente and arms limitation.

If the SALT II treaty is not ratified, said U.S. Secretary of Defense H. Brown, the new round in the arms race will cost the United States at least another 30 billion dollars. He stressed that the treaty would guarantee greater stability and that "its fulfillment will be subject to control."[5]

Secretary of State C. Vance said that the enactment of the SALT II treaty will "clear the way for further arms limitation talks." He stated that it would be unrealistic to hope to modify the treaty in favor of the United States at this time by means of amendments and stipulations, and asked the senators to "refrain from emotional outbursts that can only obscure the real issues." Vance stressed that the Senate's decision will have a direct and important effect on the entire range of U.S.-Soviet relations. "Without SALT," he said, "we will face the prospect of unlimited rivalry and seriously increased tension in American-Soviet relations." In connection with this, he confirmed the administration's desire to "move ahead in those areas of American-Soviet relations where cooperation can benefit both sides, particularly with respect to lightening the burden and alleviating the danger arising from the existence of nuclear weapons." Vance also remarked that "the failure of SALT II can cast a dark...shadow on the entire range of East-West relations."[6]

Director J. Seignius of the Arms Control and Disarmament Agency discussed the SALT issue in relation to other disarmament problems. Although the ratification of the SALT II treaty will not necessarily lead to progress in other arms limitation talks, he said, its failure will almost certainly cause irreversible harm. Moreover, this would undermine efforts to reach an agreement in such areas as nuclear non-proliferation, the total and universal banning of nuclear tests, the reduction of armed forces and arms in Central Europe and the banning of "antisatellite" weapons.

In a written message from the Joint Chiefs of Staff, read 11 July by its chairman, Air Force General D. Jones, the SALT II treaty was called a step which "is in the national interest of the United States and deserves the support" of the Senate.

When the hearings on the SALT II treaty were resumed on 6 September in the Senate Committee on Foreign Relations, the opponents of detente and arms race curtailment made a more vigorous effort to sabotage or complicate its ratification. They submitted new excuses for their attacks on the treaty. In particular, they tried to "associate" the question of treaty approval with the artificially exaggerated problem of the "Soviet combat units" in Cuba, as was done, for example, by Senator J. Garn when he spoke to the committee on 19 September.

Criticism of the treaty and demands for the more intensive "modernization of American strategic forces" for the purpose of "re-establishing American superiority" were voiced by Congressmen H. Fish and R. Bauman, the "father" of the American hydrogen bomb E. Teller, the former head of one of the most conservative organizations in the United States--the "American Legion"--J. Carey, former Director F. Ikle of the Arms Control and Disarmament Agency and others.

Recent events also testify that the actions taken by the opponents of improved Soviet-American relations have left their mark, are poisoning the political atmosphere in the United States over SALT II and are urging the nation toward escalation of the arms race.

Statements in support of the treaty and its ratification were made during the second stage of the hearings before the Committee on Foreign Relations by many prominent social, political and religious spokesmen and representatives of the U.S. business and scientific communities, particularly

Control Data Vice-President R. Schmidt, president of the Committee for East-West Accord; co-Chairman G. Scoville of New Directions (he stressed that if the treaty should be rejected, real security would be lessened for the United States and the nation would be less able to deal with current crucial economic and political problems); and Harvard University Professor S. Hoffman (he noted the totally unsound and "unproductive" nature of attempts to "associate" the treaty with other issues). Ratification of the treaty was advocated by Stanford University Professor W. Panofsky (it "is in the vital interest of the United States" and would make it possible to move "to a qualitatively higher level of negotiations within the SALT III framework"); and D. Pease, J. Seiberling and P. Simon, representing Members of Congress for Peace Through Law, who also objected to the attempts being made by some circles in the United States to make the ratification of the treaty conditional upon the administration's promise to increase the Pentagon budget each year. Support for the treaty was expressed by Congressmen J. Bingham, T. Downey and R. Carr.

Nonetheless, the SALT II treaty is still the object of fierce intrapolitical struggle in the United States. In addition, the administration's conduct is revealing a clear and steady tendency to give in to the pressure exerted by the forces that are making consent to ratify the treaty conditional upon increased U.S. military spending.

FOOTNOTES

1. "The SALT II Treaty," Hearings Before the Committee on Foreign Relations, U.S. Senate, pt I, Washington, 1979, pp 82-83.

2. THE NEW YORK TIMES, 1 August 1979.

3. "The SALT II Treaty," pt II, pp 11-12.

4. INTERNATIONAL HERALD TRIBUNE, 8 July 1979.

5. "The SALT II Treaty," pt I, p 99.

6. Ibid., p 93.

8588
CSO: 1803

WORLD POLITICAL SCIENCE CONGRESS IN MOSCOW

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 85-90

[Interviews of Academician P. N. Fedoseyev, Herbert Aptheker, Karl Deutsch and Richard Merritt by V. A. Voyna]

> [Text] The 11th World Congress of the International Political Science Association, held in Moscow this August, brought 1,600 scientists from 58 countries together and was the largest gathering in history of social scientists from states with different social structures.
>
> Our correspondent V. A. Voyna asked a few who attended the congress to answer the questions of this magazine's editors: How would you evaluate the results of the 11th Congress of the International Political Science Association? What are your views on international cooperation by scientists working in this field? What role do you believe the political sciences play in the world today?

Academician P. N. Fedoseyev, prominent Soviet philosopher and sociologist, vice president of the USSR Academy of Sciences and member of several foreign academies

'The Great Responsibility of Scientists'

In our day, the need for international cooperation by scientists is particularly great. This need is dictated by the fact that it is now more necessary than ever before to unite the efforts of all people for the attainment of a single goal--the preservation and consolidation of peace and the prevention of nuclear catastrophe. It is on this that the exercise of the primary human right depends--the right to live. Scientists can do a great deal in this area. Modern science can and should play a significant role in determining the fate of mankind; the authoritative voice of the scientist, which is listened to by the broadest segments of the public, including social scientists who are engaged in the direct study of the processes of mankind's social development, is becoming an important factor in the progress toward this goal. The responsibility of the scientist is particularly great at present, now that mankind is living in an era of transition--an era marked by the combined effects of massive social revolution and technological revolution.

The Moscow world congress of the International Political Science Association was of particular significance in the establishment of this kind of cooperation.

It was an anniversary congress, marking the 30th year of the association's existence, and it is noteworthy that one of the main topics of discussion at the congress was "The Policy of Peace." We are particularly pleased that this topic was discussed at an anniversary congress, and even more pleased that this took place in Moscow, the originating site of productive initiatives in favor of universal peace and security. At the congress, this topic was examined from various vantage points, from the most diverse ideological and political positions. In particular, the development of political and legal safeguards of world peace and international security and the search for common principles and a common "technology" of international cooperation were discussed.

A further shift in the international climate away from cold war and toward mutually beneficial cooperation will necessitate that the tradition of political thinking in terms of confrontation be overcome. Scientists must strive to replace hostile stereotypes with concepts that will accurately describe and actively promote the acceleration and intensification of positive process in international life. We attach particular significance in this activity to the all-out opposition of propaganda theories and ideas that justify the arms race in one way or another and prevent the consolidation of businesslike and mutually beneficial relations between countries.

The very fact that the policy of peace was discussed at the congress of the International Political Science Association proved that this policy conforms to widespread political and scientific interests in the scientific community. It is not surprising that our discussions revealed an entire spectrum of differing and sometimes contradictory views on this matter. The political and theoretical positions of the participants were naturally dissimilar. The diversity of today's world was reflected at the congress.

But something else was remarkable: The need for detente in today's world was not denied by anyone, at least not openly. The search for more effective ways of achieving world peace and security was discussed. Some views on this matter were, in our opinion, more realistic, pointing out reliable and direct avenues to peace. Other approaches, we feel, were not completely in line with the reality of international relations and lost sight of the need for the effective resolution of world problems. On the whole, however, we believe that there was a strong urge to compare scientific views and to achieve mutual understanding with experts with a different outlook and political position, and precisely from the vantage point of the vital need for peace. Here, it seems to me, we discerned, and in some cases quite clearly, some common views on the chief objectives of political science in this field.

All other important topics in the congress program were also indissolubly connected with the problem of peace. Would it be possible, for example, to discuss the policy of peace without taking the role of the developing states into consideration? The political problems of the developing states are of great theoretical interest, not to mention the fact that they must be interpreted for practical needs. The same can be said of the problems of underdevelopment, demography, ecology, energy and others that are generally called global issues; they will unconditionally demand concerted effort on the part of all mankind, lasting peace and international cooperation.

It is extremely noteworthy that discussion of the problems of the young liberated states and developing countries in Asia, Africa and Latin America was given a prominent place in the work of the congress. This was absolutely correct, because the substantial economic and political reforms that are taking place in many of these countries and are aimed at the consolidation of independence, the reconstruction of underdeveloped social structures and struggle against colonialism, neocolonialism, racism and imperialist dictates are fundamentally changing the appearance of today's world and the entire system of international relations. At the congress, we witnessed the further development and reinforcement of a qualitatively new field of political science, connected with the study of these problems, and a particularly important role here was played by scientists from the Asian, African and Latin American countries.

The significance of the special sessions on Marxist-Leninist methodology in the social sciences deserves special mention. This is why I am particularly pleased to report the interest displayed by congress participants who attended the discussion group on "Lenin as a Political Thinker" and sessions on the development of Marxist political analysis and the topic "Marx and Weber."

Today the future of mankind depends more than ever before on the determination of people to defend the cause of peace. This naturally imposes great obligations on states, political parties, their leaders and all of those who lay the groundwork for the course of politics and largely determine the fate of today's world--that is, scientists engaged in the study of political problems.

There is not a single serious political phenomenon today that can be successfully studied without the collective efforts of sociologists, philosophers, historians, economists, jurists, psychologists and experts in other spheres of social knowledge. This is natural, and this tendency toward integration, which was vividly demonstrated at the congress, also prevails in our social sciences.

The subject matter of the political sciences, in our opinion, is the interrelation of large human communities and their related forms of organization and human life (as a reminder, I will note that according to V. I. Lenin's definition, politics represent the relations between classes, nations and states). Naturally, political studies take in not only the interrelations of these large human communities, but also the civic status of individuals and their political associations within these communities. How can the organization and functioning of the political system and its elements be optimized, how can political sophistication be developed for the easier and quicker involvement of individuals in the management of public affairs, how can the realization of their legal interests be promoted and how can these interests be harmoniously combined?

The theoretical thinking of Soviet scientists is aimed at the resolution of these important problems. This is why the exchange of opinions by the most prominent representatives of political science, held in Moscow, was extremely useful and a source of mutual enrichment for all who attended the 11th World Congress of the International Political Science Association. The Moscow congress, representing a stage in the development of political science, will give rise to new formulations of scientific problems for a long time and will stimulate the further advancement of this branch of the social sciences. In his welcoming message to congress participants, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev noted the great role of science, including political science, in the historical fate of mankind, and pointed out science's responsibility for the future. We can definitely say that the constructive spirit of the congress completely corresponded to this great mission of political science.

Herbert Aptheker, prominent American scientist and director of the American Institute of Marxist Studies

'An Extremely Educative Experience!'

The fate of mankind will be tremendously dependent on politics.

Although the individual's range of interests is extremely varied (it includes the family, children, artistic enjoyment and strictly personal inclinations), his existence will ultimately depend on the nature of the state in which he lives, the nature of this state's relations with other countries and the condition of the international community of states as a whole. It is completely obvious that politics and the study of politics by scientific methods are exceptionally important, particularly in our age of technological revolution, an era of such tremendous increase in the power of modern weapons; today the very existence of the human race depends on the intelligent settlement of political disagreements. This is the reason for the exceptional significance of political science, which has become one of the most important fields of science.

In light of the above, it is easy to evaluate the significance of the 11th World Conference of the International Political Science Association. It is not surprising that the international forum of political scientists in Moscow had tremendous repercussions. It was the first gathering attended by so many political scientists from so many countries on all continents of the world. These countries represent virtually all existing forms of social organization (with the exception, naturally, of overtly fascist and racist regimes, such as in Chile or South Africa), which in itself is a noteworthy achievement. If we also consider that the political scientists from so many states of such different social structures gathered in Moscow, in the nation of the world's first socialist state, the historical significance of this meeting can be evaluated in full. After all, this event was a graphic illustration of an extremely important ideal--the peaceful coexistence of fundamentally different systems. The political scientists were able to find a common language, the language of science, despite all existing differences.

Naturally, the congress did not in any sense signified that the ideological struggle between the different social systems had died down. The scientists who came to Moscow argued with one another, they freely expressed their views, which were frequently divergent, they naturally submitted the most varied viewpoints for discussion, and while some changed their views under the influence of conclusive arguments, others did not. But the main feature of the congress was that no one imposed his views on anyone else, which is how discussions should always take place in the international arena. The congress provided an example of how the most urgent and complex issues, marked by greatly diverging views, can be argued in a civilized and even, I would say, refined manner. It was an extremely educative experience! Something of this kind must be instituted in the international arena: Considering the devastating power of modern weapons of mass destruction, it is impermissible to resort to force or to violence for the settlement of disputes. Each nation should decide its fate in accordance with its own wishes.

We political scientists are obligated to contribute, by means of intelligent discussion and joint scientific work, to the achievement of peace on earth and to strive for the universal triumph of the spirit of goodwill that reigned at our Moscow meeting.

Karl Deutsch, president of the International Political Science Association (1976-1979) and professor at the Massachusetts Institute of Technology, Yale University and Harvard University

'Fruitful Cooperation by Political Scientists'

First I will restrict myself to the historical boundaries of one nation--the United States of America--in my response to the editors' question.

The 200 years of this state's development would have been unthinkable without the contribution made by political scientists. Men like Thomas Jefferson and James Madison, the founders of the state and the authors of its constitution, had an excellent knowledge of the political theories of their time and were rightly regarded as outstanding representatives of this science. I will list a few other names. In our century, a president of the American Political Science Association, Woodrow Wilson, was elected President of the United States. When John Kennedy was at Harvard University, he majored in political science. American Vice-President Hubert Humphrey was a professor of political science. Such prominent diplomats and closest advisers of the last and current presidents as Henry Kissinger, Zbigniew Brzezinski and Marshall Shulman also taught political science before they moved up to jobs in public administration. This list could be continued.

As for the role of political scientists in society today, we scientists are just like all other citizens, but in contrast to the overwhelming majority of others, we must know more about politics, pay more attention to current events and formulate our views as a result of the study and summarization of huge quantities of information. Sometimes our view is one that will only become general opinion at some time in the future, a view that will be taken up by the average citizen of tomorrow. This, however, does not exclude the possibility that ordinary individuals are sometimes wiser than politicians and scientists. But after all, people need information and a sober assessment of events, and we have a huge responsibility in this respect. Furthermore, the influence of political scientists is not limited to the formation of public opinion, but is also quite considerable in the decision-making process.

For example, the fact that at least eight out of every ten political scientists in the United States regarded the Vietnam war as a tragic mistake played a significant role in stopping this war (the first war the United States had to stop because of public pressure). I personally felt this way about it from the very beginning, as soon as it started. In April 1965, I signed the famous message from 65 scientists to the American scientific community, demanding an end to the war in Vietnam because it was not in the U.S. interest. Five years later, when I was the president of the American Political Science Association, I wrote a letter, which was published in the NEW YORK TIMES, demanding that the war be ended. The appeal was also signed by seven former presidents of the association.

Naturally, political scientists have various aims and views, including conservative ones, but on the whole we adhere to liberal convictions. Most of us opposed, and still oppose, fascism and the suppression of civil rights and freedoms, whether by the Somoza regime in Nicaragua or by the Pinochet regime in Chile or in other countries. We are in favor of detente and stronger friendship and mutual understanding between countries with different social structures. We certainly support the limitation of strategic weapons and the SALT II treaty signed in Vienna by the leaders of the United States and USSR. As for relations between our two great powers, we feel it is more important today than ever before that each side avoid any action that might intimidate the other side or diminish mutual trust.

Returning once again to my own experience, I will cite another example to illustrate the way in which political scientists influence the decisions made on important international issues of the day.

In the 1960's, I headed a group of experts assigned by the State Department to investigate the possibility of creating so-called multinational nuclear forces and equipping West Germany with nuclear weapons. We experts unequivocally said that this idea was not promising. The idea has been dead for a long time now and no one ever gives it any serious thought today, but at that time this decision could have become a reality. There is no need to exaggerate the significance of our efforts at that time, but we did play some part in burying these plans.

Now I can talk about the Moscow world congress of the International Political Science Association. It was tremendously successful. First of all, I should say that the congress confirmed the productivity of cooperation by political scientists from countries with different social structures. I would even say that our meeting was a turning point in the establishment and reinforcement of international cooperation by political scientists: It was only at this current congress that such a large group of scientists from the socialist and developing countries took part in the work of the International Political Science Association. I am certain that this cooperation will be developed successfully from now on.

The success of our gathering would have been unthinkable without the marvelous work performed by the Soviet organizers of the congress. In particular, some of the questions raised were of an extremely delicate nature, such as the question of congress participation by scientists from countries with which the USSR does not have diplomatic relations. The organizers of the meeting assured us that all of these difficulties would be overcome, and this promise was unconditionally kept: All of the political scientists who decided to come were not only permitted to participate fully in the work of the congress, but were even given an opportunity after the congress to join a number of travel groups for a fascinating tour of the Soviet Union and learn about the life of your people.

This is why we were particularly happy that the 11th congress of the International Political Science Association was held in the USSR, in Moscow. The establishment of healthy contacts between our scientists and the scientists of your country, other socialist countries and the developing states will be necessary and productive. This has given all of us not only an opportunity to exchange views, but also to be intellectually enriched. We will leave with a feeling of the warmest affection for your people.

Richard Merritt, member of the executive committee of the International Political Science Association and professor at the University of Illinois

'What People Think About Today...'

When we discuss the role of the political scientist today and the significance of the work of scientists in this field, we must bear the following in mind. Our world is being torn apart by increasingly complex and intense conflicts, which practically can only be reasonably resolved by political means. Naturally, the current universal "political orientation" has given rise throughout the world to an increasing demand for specialists who can understand these conflicts and find the appropriate ways of settling them on the basis of scientific knowledge, and who are capable of developing the necessary scientific methods. Scientists have already achieved a great deal in this field: We have learned to examine political processes in sufficient depth, we have developed the necessary instruments for recognition and analysis and we are now able to describe historical events (past or present) with the aid of quantitative assessment methods and by employing and constructing extremely complex mathematical and lexical models; these models help us to forecast the future development of events and processes. Therefore, the responsibilities of the political scientists consist in investigation, the acquisition of the necessary information and ideas, the dissemination of this information and these ideas to theoreticians in the academic community and to practicing politicians and, finally, the education of students, who must learn to work with the existing methododolgy and develop new ideas and methods of investigation.

This explains the significance of political science as a science.

Now I will discuss the results of the international congress held in Moscow.

This congress presented a unique opportunity for scientists from nations with different social structures and different social aims to meet and discuss current problems. This chance to learn what people are thinking about today and how they feel about the cardinal issues of our time probably could not have been offered by any other scientific congress convened by any other scientific association. The Moscow meeting was significant not only because it was the largest international conference in all the years since political science became a science, but also, and primarily, because it was held for the first time in the capital of a socialist state; scientists from the West, the East and the developing countries were able to learn, in detail, all current views on issues of universal concern in the world today.

It is in this that I see the historic significance of the Moscow political science congress. Its participants were able to broaden the horizons of scientific thinking and simultaneously supplement their own knowledge of concepts. And the kind of cooperation between scientists that took place during the congress will most probably be useful to us in the future and will become an excellent basis for future meetings and practical work to establish scientific fact. In this sense, the congress was an excellent stimulus and it set the tone for success at the next international gathering, which will be held in Rio de Janeiro in 1982.

8588
CSO: 1803

UNITED STATES-SOUTHEAST ASIA: 'NEW' APPROACH?

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 91-93

[Article by I. N. Shcherbakov]

[Text] After Beijing's military and political failure in Vietnam, Washington policy placed more emphasis on the buildup of American military strength in this area and more emphasis on anticommunism.

Washington is taking steps to increase the military potential of some ASEAN countries,[1] including the Philippines and Thailand. Thailand has been promised, according to a report in NEWSWEEK, an additional 6 million dollars for the purchase of U.S. weapons and the right to use American military equipment, worth 11.3 million, that has been left there. In addition, plans are being drawn up for the creation of a fifth American fleet, with the Indian Ocean zone included in its sphere of activity. The administration's emphasis on the reinforcement of U.S. military and strategic positions in Southeast Asia, its refusal to normalize relations with the SRV and its economic and commercial boycott of this country are being depicted as a new approach to countries in this area, allegedly dictated by the U.S. interests.

Debates over the "new" U.S. approach to Southeast Asia have been going on in American scientific literature and the press for more than a year. The entire spectrum of U.S. policy in Southeast Asia was subjected to serious analysis in several articles published even before the exacerbation of the situation in Indochina and the launching of Chinese aggression against the SRV. The authors of some articles advise Washington to adhere to a more flexible line and to not rely on force as the deciding factor.

Professor B. Gordon, for example, in an article published in FOREIGN AFFAIRS, calls the lack of balance in the military and political-economic components of American foreign policy the main reason for the decline of U.S. incluence in Southeast Asia. "Until recently," he remarks, "the U.S. presence in the Pacific was felt in many spheres: politics, trade, investments, education, culture and defense. Now the role of the United States is perceptibly declining in the majority of these spheres."[2] Only military assistance, the author points out, is still being given primary consideration. The American researcher also notes that the United States, despite all officially declared desires for "military disengagement," is still maintaining its military presence in this zone on a high level. This, in Gordon's opinion, is seriously disrupting the balance of American foreign policy and weakening U.S. economic positions in Southeast Asia.

Gordon is particularly disturbed by the possibility that Southeast Asia is becoming the main object of Japanese trade and economic expansion (his conclusions are based on the following facts: Japanese private investments in Southeast Asia totaled 4.5 billion dollars between 1951 and 1977, the volume of Japanese trade with just the ASEAN countries was equivalent to 14 billion dollars in 1976, and so forth).[3]

In turn, the increasingly imbalanced nature of American policy in this area is causing the United States' allies, especially Japan, to lose confidence in the future role of the United States in Southeast Asia.

Gordon's disclosure of the "vulnerable spots" in U.S. policy in Southeast Asia as a whole is made to point out the need to restore its "balance" and heighten its effectiveness. In his opinion, the search for a new approach to these objectives should take two directions--the reinforcement of the American-Japanese partnership and the closer coordination of the economic and military elements of U.S. policy in the region.

When American experts analyze this policy, they give considerable attention to U.S. relations with the Socialist Republic of Vietnam. The same B. Gordon, for example, in the abovementioned article, favors a policy of "ignoring" the SRV and insists that the question of the normalization of relations with Vietnam is already "not very important." The emphasis here is on attempts to discredit SRV policy in Southeast Asia. He asserts, for example, that the SRV "has no interest in starting a new era in relations with its neighbors."

The incongruity of this thesis is particularly noticeable when viewed against the background of SRV Premier Pham Van Dong's successful visit to the ASEAN countries in the fall of 1978, during the course of which Vietnam's interest in mutually beneficial regional cooperation with the ASEAN countries was underscored.

Gordon's views are not shared by all representatives of the American scientific establishment. In particular, F. Weinstein, head of a Stanford University program for the study of American-Japanese relations, expressed his disagreement with Gordon's position in the same magazine--FOREIGN AFFAIRS.

Weinstein believes that "there is a serious need to normalize relations with Vietnam and to offer it limited forms of assistance."[4] According to the author, Washington's position in regard to Vietnam is considerably affected by the lack of a precise conceptual basis in U.S. policy in Asia, particularly Southeast Asia, and an inability to take new realities in the region into account after the failure in Vietnam. But the main reason for the ineffectiveness of this policy, according to this author, is the absence of a truly new U.S. approach to the countries of Southeast Asia. In his view, "realistic adaptation to the new era will require a new concept of security that goes beyond the present emphasis on U.S. commitments and military alliances and places more emphasis on economic and diplomatic interrelations."

In this context, relations with Vietnam acquire particular importance. According to Weinstein's prediction, a "multilateral system of alliances" should be anticipated in this region, characterized, in his opinion, by "interlocking relations, which will bind communist and noncommunist countries together on various issues."[5] Strictly speaking, this thesis is nothing other than a belated recognition of a process that has already begun in the development of relations between the socialist countries of Indochina and ASEAN. The American author stresses that the existence of mutual understanding between the ASEAN countries and the Indochinese states will serve as a basic guarantee of "the best possible security prospects in Southeast Asia."[6]

It should be noted that a recognition of the constructive nature of socialist Vietnam's foreign policy with respect to cooperation with the ASEAN countries is an important part of F. Weinstein's position. After analyzing tendencies and moods in government and public circles in the ASEAN countries, the author concludes that "Vietnam's attitudes toward its neighbors are peaceful to the highest degree." Weinstein cites numerous facts to refute Gordon's thesis of the allegedly "unconstructive" nature of Vietnamese policy in the region. Moreover, "the opinion that closer relations with Vietnam are important for safeguarding security and stability throughout Southeast Asia," Weinstein remarks, "is more than the 'idee fixe' of Japan and some Washington officials. It is the opinion of the majority of ASEAN leaders."[7]

The need for a new U.S. approach to the countries of Southeast Asia and a realistic assessment of the situation in this region is also acknowledged by S. Simon, dean of the University of Arizona Political Science Department. In a number of magazine articles, he refutes the traditional thesis of American propaganda that the SRV is allegedly threatening countries in this region and expresses the opinion that the prevailing tendency here is the increasing desire for peaceful cooperation and the de-emphasizing of the military-political aspects of ASEAN activity. This, in his opinion, will necessitate substantial adjustments in the Southeast policy of Washington in line with these trends.[8]

Washington's actual conduct in Southeast Asia, however, proves that it still has no intention of making constructive changes in its foreign policy line.

FOOTNOTES

1. ASEAN--the Association of Southeast Asian Nations, the members of which are the Philippines, Malaysia, Indonesia, Singapore and Thailand. For a more detailed discussion, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 10, 1978--Editor's note.

2. B. Gordon, "Japan, the United States and Southeast Asia," FOREIGN AFFAIRS, April 1978, p 581.

3. Ibid., p 583.

4. F. Weinstein, "U.S.-Vietnam Relations and the Security of Southeast Asia," FOREIGN AFFAIRS, July 1978, p 843.

5. Ibid., p 844.

6. Ibid., p 846.

7. Ibid., p 851.

8. See, for example, S. Simon, "The ASEAN States: Obstacles to Security Cooperation," ORBIS, summer 1978, p 418.

8588
CSO: 1803

'THE SENATOR FROM BOEING'...AND FROM THE MAFIA?

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 93-94

[Article by V. M. Gevorgyan]

[Text] The 23 April 1979 issue of SPOTLIGHT, an American magazine, contained information attesting to an old and close relationship between the American Mafia and one of the most vigorous revivers of the myth of the "Soviet military threat" and a zealous "fighter for human rights" anywhere but in the United States, the notorious "Senator from Boeing," Henry Jackson, who represents the interests of the military-industrial complex and the Zionists in the Senate.

According to the magazine, this dishonorable organization went a long way toward financing Jackson's re-election to the Senate--at least in 1976. An investigation of the sources of Jackson's campaign financing at that time showed that large campaign contributions were made by a certain Art Marshall, a man named Herbert Russo and the publisher of a newspaper in Las Vegas, the "gambling capital" of the United States, Hank Greenspan. All three are closely connected with the gambling business.

Furthermore, Jackson used his position in the Senate to help a certain J. Malone evade prosecution. Malone, who once served as an adviser to the Senate Subcommittee on Intelligence (the chairman at that time was the selfsame Jackson), made an attempt to delete the names of such famous Mafiosi as prominent Mafia member Meyer Lansky, "father" of one of the Mafia "families" Santo Trafficante and union racketeer Anthony Scotto, from the materials of the subcommittee investigating organized crime. Henry Jackson quickly covered up the Malone affair by declaring that the accusations against him were slanderous.

Jackson continued to give Malone paternal protection later, when he became chairman of the Senate Energy and Natural Resources Committee. He immediately appointed Malone special counsel to the committee.

At one time, reporters from the NBC Television Broadcasting Corporation also took an interest in Malone's shady dealings. In Florida, they interviewed local municipal officials Lloyd House and John Weymayer, who had already informed SPOTLIGHT magazine of the intrigues of Jackson's protege. The reporters dredged up additional information and even interviewed Malone himself. Soon afterward, NBC broadcasted this program, but... no mention was made of Malone or Jackson.

What happened? According to SPOTLIGHT, someone obligingly warned Jackson about the coming broadcast. The senator was terrified at first, but he later flew into a savage frenzy. He called NBC president Fred Silverman and threatened to use all of his influence to disrupt the normal operations of the network. He unashamedly even accused NBC of engaging in a McCarthy-type "witch hunt." As a result, some pieces of footage disappeared from the program: As for example, a still of Jackson with the abovementioned Anthony Scotto.

Who is this Scotto? He is a Brooklyn union boss and the vice president of the International Longshoremen's and Warehousemen's Union of the East Coast. It was known as early as 1969 that he was a member of the "family" headed by Gambino, which controls the Brooklyn and Staten Island docks. Scotto is married to a relative of famous--now departed--gangster Albert Anastasia, who was called the "lord high executioner." At the beginning of this year, the grand jury accused Scotto of taking bribes, racketeering and tax evasion. According to SPOTLIGHT, Scotto accepted a bribe of $300,000 from a group of businessmen in 1978.

A man named Gary Baudich testified that Scotto, in turn, had turned over $400,000 to one of Meyer Lansky's assistants for services rendered. The abovementioned Malone "did not feel it was necessary" to subpoena Scotto. What is more, Malone even tried to force Baudich to delete this testimony from his statement to the subcommittee.

Another close friend of Senator Jackson, Sam Friedman, is also closely connected with the Mafia. He is the owner of the Diplomat Hotel in Miami (Florida). According to SPOTLIGHT, the Diplomat has long been a haven for "high-level" Mafia members. At one time, it was even the home of Joey Gallo, one of the heads of the New York Mafia who was killed several years ago in one of the bloody battles between the gangs.

The information published in SPOTLIGHT removes all doubt that the "fighter for justice" and for the "national interest of America," Senator Henry Jackson, has not shied away in the least from "business" ties with the Mafia, has eagerly accepted political support from its bosses and has done everything within his power to protect the Mafiosi when the authorities try to conduct criminal investigations.

This is an interesting footnote to the portrait of the "typical American politician," as Senator Henry Jackson loves to be seen by Americans, is it not?

8588
CSO: 1803

THE EXECUTION OF CHARLES HORMAN; AN AMERICAN SACRIFICE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 95-105

[Second installment of Russian translation of sections from the book "The Execution of Charles Horman; an American Sacrifice" by Thomas Hauser, Harcourt, Brace, Jovanovich Inc., New York, 1978]

[Not translated by JPRS]

CSO: 1803

MODELING OF MANAGEMENT DECISIONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 106-113

[Article by Yu. A. Ushanov]

[Not translated by JPRS]

CSO: 1803

BOOK REVIEWS

Post-Mao PRC Economy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 114-116

[Review by A. A. Nagornyy and A. B. Parkanskiy of the book "Chinese Economy Post-Mao," vol 1, "Policy and Performance," Washington, U.S. Government Printing Office, 1978, XXVI plus 880 pages]

[Text] The normalization of diplomatic relations between Washington and Beijing was preceded by lively debates by U.S. scholars and politicians over various aspects of American policy toward the PRC. One of the main directions taken by these debates was the attempt of politicians to look into China's future, thoroughly assess its current economic and strategic potential and determine the prospects for its development.

The most significant U.S. achievement in the forecasting of China's economic prospects was a special study compiled by the Joint Economic Committee of Congress. In addition, 37 experts from the United States, Great Britain, Canada and Sweden also took part in compiling the work. The report was published in November 1978 and, consequently, did not reflect certain changes that took place in China's approach to economic construction and foreign economic ties after the normalization of relations with Washington. Nonetheless, a few important conclusions can be drawn from a study of this document. Firstly, the report reflected the recognition of the PRC's potential for economic progress by American ruling circles, and this heightened Washington's interest in the accomplishment of Beijing's planned programs. Secondly, the report would seem to contain certain warnings for Beijing in its praise or lack of praise for particular measures taken in Beijing in connection with domestic development, as these measures will ultimately be directly related to the Chinese leaders' foreign policy strategy.

The book being reviewed is only the first volume of the study (the second volume, on the national budget of the PRC as of the end of 1978, has not been published as yet). The coordinator of this study and author of the foreword is J. Hardt, renowned expert on socialist affairs and senior research associate or the congressional research service. General problems in the functioning of the PRC's economic system and the current situation in the most important sectors of this system are comprehensively examined, in detail and from various vantage points, in five sections of the book.

It must be said that the American experts have made an attempt to discern the actual state of the PRC economy at a time when virtually no regular statistics are published in this country, while data pertaining to economic planning are of a fragmentary nature. The insufficiency of statistical material is sometimes one of the reasons for differences in evaluations of even the most general economic indicators. The authors even admit that the final results might be far from the truth.

Taking the indicators of the late 1950's as a basis, with consideration for the few available official statistics and various types of fluctuation, the authors of these articles attempt to define the state of the Chinese economy in 1976-1977, and then to judge the practicability of the planned "Program of the Four Modernizations." For this purpose, official control figures (annual growth of 10 percent in industry and 4-5 percent in agriculture) are extrapolated to 1985 and the end of the century. This is followed by an analysis of methods and means of attaining this level of development.

In 1976, the book states, the United States, the EEC, the USSR, Japan and the PRC accounted for 70 percent of the world GNP. The PRC's share of this total GNP was only 6.7 percent. The PRC leadership intends to increase China's share of the total GNP to 7.9-9.2 percent by 1985 and to 9.6-14 percent by 2000. In other words, in the year 2000, China will still be in last place in terms of GNP value, but the Chinese GNP will already constitute more than half of the U.S. GNP and more than 70 percent of the Japanese GNP (p 203).

The implementation of economic plans of this kind, however, is being blocked by such fundamental obstacles as the state of agriculture under conditions of perceptible demographic stress and the insufficient development of power engineering facilities. The correction of this situation will require huge capital investments and the almost total re-equipping of machine-building branches of industry.

Excessive population growth, the authors believe, will also constitute an extremely serious problem. Even a drop in the birth rate (to 1.3-1.9 percent) might not solve the problem if the planned level of production is not properly provided for in agriculture. The achievement of zero population growth--the best possible alternative for China--will be impossible, according to the authors, given the present system of administrative birth control. Under these conditions, the growth of agricultural production will only stay slightly ahead of population growth, as the population will total 1.2-1.5 billion by the end of the 20th century (pp 468-470).

China, the authors point out, has considerable energy resources. In 1977 the PRC was in ninth place in world electrical energy production: The nation was producing around 136 billion kilowatt-hours of electric power, or 6.7 percent of the U.S. output. Some data indicate that 192 electric power stations were operating in China in 1977, 126 thermal and 66 hydroelectric. The total capacity of existing electric power stations is estimated at 40,500 milliwatts [sic]. The achievement of the planned annual growth rate of 10 percent in industrial output will require energy capacities totaling 108,000 milliwats [sic] by 1985. Despite the adequate level of development in the production of power engineering equipment, this branch will not be able to fill the nation's needs, and China will have to make overseas purchases of power equipment worth about 300 million dollars between 1978 and 1985 (pp 404-405). Besides this, the great distances between rivers with high hydraulic energy potential and the economic centers of national zones will seriously complicate their effective use (pp 17-18). As for petroleum, gas and bituminous coal, their working will require excessively high capital investments.

Machine building represents the "foundation of Chinese military and industrial development; it is made up of a great variety of industrial branches--from ball bearing production to ship building and the manufacture of locomotives, power engineering equipment and so forth" (p 285). Soviet shipments made between 1953 and 1957 constituted the basis for the development of this sector. In accordance with agreements concluded in 1958 and 1959 with the USSR and other socialist countries, machine-building plant shipments were to be doubled, but the "Great Leap Forward," which was launched in 1958, undermined the development of Chinese machine building. The general situation in this branch did not improve until 1966; moreover, according to the authors, this improvement was due to more expensive purchases of equipment and technology in Japan and other Western countries.

The "Cultural Revolution" (1966-1969) and the subsequent internal political struggle resulted in disparities in the development of Chinese machine building, but it nonetheless increased its production output during that period under the presssure of the slogan about "preparation for war."

The PRC is also encountering problems stemming from the shortage of qualified personnel in almost all branches of the national economy.

Therefore, the completion of these programs is questionned in the study. Moreover, the authors conclude that future economic development in China will not reduce the gap between the PRC and the developed industrial nations, particularly in the fields of industrial and military technology, labor productivity and standard of living. The Chinese economy will not be able to maintain a high rate of development over the long range, although it is possible, according to these authors, that the more or less high indicators of 1964-1974 may be equal for a short time after the economic confusion of 1975-1977.

The possibility of overcoming these economic difficulties will depend on several important conditions. Above all, the "pragmatic" economic policy of the Beijing leadership, with its Western orientation, according to the authors, and the establishment of closer commercial ties between China and Japan, the United States and other Western industrial states will contribute to the completion of these programs. The conclusions presented in the book include the frank statement that, "for the time being, the improvement of economic relations might be the most appealing method of improving Sino-American relations" (p XXV). Without excluding the possibility of expanded shipments of weapons to China, the authors indicate that, over the long range, "the Western influence will most probably be greatest in the satisfaction of China's economic needs. Imports of grain and agricultural technology from the West could be a crucially important long-range factor, although only of secondary immediate significance" (Ibid.).

Secondly, according to the authors, the existence of stable internal political conditions in the nation is the main prerequisite for the successful attainment of economic goals, since effective long-range planning would be unthinkable without this.

Thirdly, the authors regard the limitation of expenditures on more costly military programs as an essential condition.

The result is an extremely simple formula. Positive, from the standpoint of the authors, Chinese development will only be possible if the internal political situation in the PRC is stable and PRC reliance on the Western countries is simultaneously intensified. In addition, this will also necessitate the extensive attraction of foreign capital into China, as well as Beijing's cancellation of the more costly strategic programs that might threaten the United States and Europe in the future. In short, the authors propose that comprehensive efforts be made to attach China to the West. For this purpose, the United States and its allies are advised to assume considerable political and economic obligations to guarantee China's defense and the modernization of its armed forces (pp 78-79). The authors apparently believe that Beijing can be solidly involved in the network of economic and military cooperation and, consequently, that its politics can be manipulated. But economic difficulties did not interfere at all with the Chinese leadership's initiation of treacherous aggression against the SRV. Obviously, the Beijing leaders, guided by nationalist aims, are not likely to feel bound by any kind of promise. The aggression of the PRC against Vietnam clearly demonstrated that Beijing has no intention of taking world public opinion into account, and it will be even less likely to do this when it gains economic and military strength, and this could endanger the United States. It must be said that although Maoist domestic policy inflicted huge losses on the Chinese economy, it was precisely in those difficult years that Beijing carried out its nuclear programs. It is hardly likely to discard them under more favorable economic conditions, at least not as long as great-power nationalist aims prevail in Beijing.

Religion in America

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 116-119

[Review by I. Ye. Zadorozhnyuk of the book "Religion in American Society. The Effective Presence" by J. Wilson, New York, Prentice Hall, Inc., 1978, XVI plus 492 pages]

[Text] Solid studies of the historical roots of American religious tradition have been published in the United States in recent years. An important place among fundamental studies of this kind is occupied by the subject of this review, a book written by Duke University Professor John Wilson, expert on the sociology of religion. The author has analyzed the change in religious beliefs in American society, the influence of religion on economic, political and other social institutions in the United States, the crisis of traditional beliefs and the role of new ones in the overall American ideological structure and, finally, the tendencies toward secularization--that is, the ultimate decline of religious influence in the West as whole. The phenomena examined by the author are interesting, and not only to specialists in this field, as religion in the United States is spreading its influence to all spheres of public life: from politics to the family, from ideology to the motivation of the behavior of members of small religious groups. On the basis of the findings of numerous inquiries into the sociological aspects of religion, the author describes the origins, development and propagation of various forms of religion, including forms that are not generally discussed in academic religious studies, such as "civic religion" or the so-called "youth religions." These two forms of religion deserve further mention, particularly since the author of the book being reviewed gives them considerable attention.

"Civic religion," in the United States is more frequently written about by journalists and politicians than by religious historians. "Civic religion," Wilson writes, "is a non-denominational faith. It is engendered by public life and is reflected in everyday passions, values and ideas about the virtues, morals and traditions of society. It exists in concrete form in the 'shrines' of Gettysburg and Arlington and in such 'holy' days as Memorial Day, Thanksgiving, the Fourth of July, Washington's Birthday and Lincoln's Birthday" (p 177). This is a religious-political cult of the republic, which sanctions political, social, military and other actions, is trusted upon young Americans in their schools and sanctifies many facets of the American way of life. An example of the use of "civic religion" by politicians can be seen in the inauguration speeches of the presidents. Appeals for national unity under God are made at the beginning and end of these speeches, and not the god of a specific faith or even Christ, but an abstract divinity. The "sacred" origins of freedom, equality and justice, faith in the divine nature of American democracy and America's "lofty mission" are important elements of the political and ideological rhetoric that is brought to bear on the minds of voters. Other elements of this "religion," according to Wilson, are sermons about the necessity of hard work, a self-sufficient pragmatism, a moralistic attitude toward politics and, above all, a belief in the responsibility of each individual for his own destiny.

This set of beliefs, from "piety on the Potomac" to the "sacred legends" about shoeshine boys who become millionaires, is supplemented by certain rituals, including a pledge of allegiance to the national flag, in which the words "one nation under God" are invariably prominent, slogans like "God Bless America" and so forth. Many politicians and clergymen, Wilson states, imply that religious conviction is a sign of civic responsibility and that church members are loyal to the political system. Religion, in their opinion, is the principal moral basis of social unity.

Beliefs and rituals of this kind aid in defining the relationship between church and state, which, according to the "Bill of Rights," are formally separate. Wilson examines the relationship between church and state from the standpoint of the influence they exert on one another. He notes that the state encourages the activities of religious groups in some cases and prosecutes them in others--as in the case, for example of the Black Muslims. The connection between the church and the state is also reflected in the fact that church property is not subject to taxation and that the government pays the salaries of clergymen in the army and in prisons. Some religions (Congregationalist, Presbyterian and Methodist) are obviously connected with the political establishment.[1] As Wilson underscores, "this connection is most vividly reflected in the correlation drawn between 'anti-Americanism' and 'atheistic communism' and in the prejudices which urge active resistance to the participation of atheists in the political process" (p 200).

In turn, many churches use the state as a means of reinforcing their own position. For example, some Protestant religions receive support from the government in their missionary and educational work. Wilson concludes that "formal separation of church and state does not signify a real separation" (p 211).

As for the "youth religions," their birth and development, in Wilson's opinion, illustrate the process of religious ferment in relatively small and "unstable" population groups and amorphous social movements. The author feels that they are indicators of deep-seated social processes and evidence of a crisis in the traditional values of the American way of life. For example, the followers of the "Jesus movement," which began in the western United States in 1967, make statements like the following: "America is on the road to hell! The events described in the apocalypse and the Acts of the Apostles are a fairly accurate description of America today." This new religious current, which resulted from the evangelization of the hippie movement, preaches that social evils stem from personal guilt and that this "dying world" can only be saved if each individual turns to Christ. The "Krishna Consciousness" group is just as "critical" of the West for "wallowing in materialism." The "ideal family" of Sun Myung Moon is mainly being joined by young Americans who have severed all social ties. These and a number of other "youth cults" aspire to the creation of a "new religious consciousness" that is supposed to change America.[2]

In his examination of religious differences, the author concludes that "religion in the United States is not as pluralistic as it appears to be at first glance" (p 282) and corroborates this statement with statistical data. For example, the ten main churches in America account for more than 70 percent of the 131 million U.S. church members, and 90 percent of all churchgoers in the American South are Baptists or Methodists. Nonetheless, various conflicts do exist between religious currents and within them. These are primarily conflicts of an ethnic and racial nature. They are reflected in the formation of various nativitist, racist, anti-Catholic and anti-Semitic movements under the auspices of Protestantism (the "Know-Nothing" party of the mid-19th century, the Anti-Saloon League of the late 19th century, the Ku Klux Klan and others) and in the opposition of desegregation by some groups.

In this sociological study of religion, Wilson takes the position of M. Weber--a fashionable position in U.S. sociology. With certain reservations, he admits that religion plays a conservative role in political conflicts. In his opinion, this role essentially consists in the "reassessment of values" phenomenon, by which spiritual goals are substituted for actual objectives. This gives rise to declarations of the irrelevancy of politics in comparison to matters of faith, the emphasis on the elevation of religious status instead of social status, the attempt to mitigate the class conflict by means of stronger intraconfessional unity, the justification of the status quo and a stronger belief in the futility of politics. At the same time, he writes, "some churches frequently become involved in movements for social reform. Most of them try to reconcile the working class to the capitalist system by mitigating the consequences of social evils. "From the Marxist standpoint," Wilson goes on, "this kind of reformist movement is, in the fullest sense of the word, the opiate of the people, as it creates the illusion of change where it does not exist" (p 360). Religion often imposes middle-class values on the working class, and working class organizations are not supported by radical reformists who oppose the labor unions. Some clergymen (mainly the so-called "new generation" of clergy) are now more aware of the need for intensive social activity by the church. They are demanding that religion be "secularized and de-mythologized," they adhere to the "God is dead" theology, they condemn the other-wordly and individualistic elements of Christianity and are demanding that its values be implemented in this world. It is for this purpose that the ideas of the new "situational ethics" are being worked out; they cast doubts on the traditional, legalistic and static system of morality as a means of alienation and oppression. These clergymen are particularly active in missions, on campuses and in various agencies.

These young liberal clergymen, however, only account for slightly more than 10 percent of the total clergy, and they naturally cannot determine the policies of the main religious currents (p 386).

Finally, the author analyzes the processes by which religious beliefs are discredited and religions lose their social influence. In the attempt to stay on top, religion, as Wilson puts it, is "changing its position," which is attested to, for example, by the reinforcement of "civic religion," on the one hand, and the birth of various types of "youth cults" and sects, "sensitivity training groups" and so forth, on the other. This kind of re-orientation of religion explains why such a high percentage of Americans believe in God (94-95 percent). The percentage of churchgoers is particularly high in the United States in comparison to other capitalist countries. For example, 37 percent of all adults attended weekly church services in 1940, but the number had risen to 47 percent by 1961 (it is true that it had decreased to 40 percent by 1975 in connection with the disillusionment in all social institutions, including the church).

Nonetheless, these figures do not attest to heightened religious conviction in America. As Wilson points out, "church attendance is often associated with the stronger role of the middle classes, their social conformity and acceptance of the values of the American way of life" (p 401).

The process of secularization is penetrating deeper and deeper into all spheres of American life. Religion is now less institutionalized, less social, public and visible, and the prestige of the clergyman is declining. Religion is being crowded out of the family, the labor sphere, politics, morality, education and even philantrophy. This process is becoming particularly pronounced in the West in connection with the declining influence of religion in the working class; moreover, working class leaders are criticizing the church more for its social conservatism than for its ideas.

The author argues that the high percentage of churchgoers and the financial power of the church in the United States do not reflect real religious conviction on the part of Americans. Their practice of religion is more of a formal nature, membership in a church is a sign of respectability and affiliation with a specific community, a "sign of Americanism," religious associations are serving more and more as "sales agencies" and the U.S. citizen is guided very little in his life by the rules of religion.

FOOTNOTES

1. The author presents data on the religious composition of the 95th Congress, attesting to the prevalence of the Protestant elite here, just as among the state governors. For example, Presbyterians, who constitute 3 percent of all believers in the United States, hold 11 percent of the seats in Congress and 14 percent of the state governorships, the United Methodists (7 percent) hold 14 and 2, respectively; the Episcopalians (2.2 percent) hold 11 and 8; the members of the United Church of Christ (1.4 percent) hold 4 and 6; and Unitarians (0.1 percent) hold 2 and 4. On the other hand, Lutherans, who represent 6.4 percent of all believers, hold only 2 percent of the seats

in Congress and 6 percent of the governorships; members of the Eastern Orthodox Church (3 percent) hold 0.7 and 2, respectively, and Catholics (37.3 percent) hold 24 and 30. As for the rest, the Jews, who represent 4.6 percent, hold 5 percent of the seats in Congress and 4 percent of the governorships; Disciples of Christ (1 percent) hold 0.9 and 2, respectively, and Mormons (1.7 percent) hold 2 and 2 (p 306).

2. American sectarianism is the other side of the coin of "civic religion," apologizing for the values of the bourgeois way of life. It is analyzed in the article by D. Ye. Furman entitled "The Jonestown Tragedy and the American Sects" (SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1979).

Biography of Amon Carter

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 pp 119-120

[Review by D. Ya. Bratslavskiy of the book "Amon. The Life of Amon Carter, Sr. of Texas" by J. Flemmons, Austin (Texas), Jenkins Publishing Company, 1978, 520 pages]

[Text] This book by American journalist Jerry Flemmons deals with the life and career of one of the "kings of the press" in the United States--Amon Carter, who died in 1955. The author writes about how great this publisher's political influence was on U.S. domestic and foreign policy-making under the Roosevelt Administration.

"A hard-headed conservative businessman" (p 68), A. Carter completely measured up to the political "standards" of his native state of Texas. He was one of the belligerant conservatives who regarded the South as a political stronghold in the struggle against the liberals. Calling for resolute struggle against the "Eastern liberals," he tried to appear to his fellow Texans as a patriotic Texan guided primarily by the ideals and interests of his state (p 66).

Amon Carter, according to the author, was a born businessman, a man with exceptional intuition but an absolute lack of principles, prepared to "sell his city, his district, his state and, naturally, himself" (p 141).

The magnate's chief offspring was the STAR-TELEGRAM newspaper, founded by him in 1913 with two friends (who he later ruined). As a result of the manipulations of Carter, who bought up most of the provincial newspapers in the South, this newspaper became the leading press organ of the regional business community within a single decade. Texas oil and financial bosses promoted the rise of the STAR-TELEGRAM. It was precisely with their assistance that the owner of the newspaper was able to survive a fierce competitive struggle with William Hearst and his press empire.

Amon Carter was not only the owner of this newspaper and large radio and television stations in the South, he later also became an oil magnate. Carter had close contacts with the Du Ponts, the Mellons, the Kuhn-Loebs, the presidents of U.S. Steel, Bethlehem Steel, Standard Oil of New York, Standard Oil of New Jersey and Ford Motor, and others.

The author describes Carter's numerous meetings with President F. D. Roosevelt, who had to take the Texan's views into account. As a result of this White House support, West Texas regularly received substantial financial resources in the form of federal assistance, and the "fighter for the interests of Texas" slyly deposited much of this money in his own pocket (p 470). In turn, A. Carter was one of the influential members of the Democratic Party National Finance Committee, and his contributions to Democratic campaign funds were so sizable and his influence on the President was so substantial that F. Roosevelt even offered him the post of secretary of defense in his administration. Carter refused the offer because, as the author comments, he "had enough real power without becoming a cabinet member" (p 470). As the author points out, Lyndon Johnson was also obligated to A. Carter for his election as U.S. senator from the state of Texas in 1948.

In this book, we find a vivid portrait of an unscrupulous monopolist, who used his power and influence to propagandize the ideology of "American exclusivity," as well as "American democracy," which essentially signified the unlimited right of Texas bigwigs to climb into the pockets of the taxpayers and the government.

Workings of U.S. Economic Cycle

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 p 120

[Review by Yu. I. Bobrakov of the book "Mekhanizm ekonomicheskogo tsikla v SShA," edited by A. V. Anikin and R. M. Antov, Moscow, Nauka, 1978, 470 pages]

[Text] This work, written by a group of researchers from the Institute of World Economics and International Relations of the USSR Academy of Sciences, is a comprehensive study of a most complex phenomenon--the economic mechanism of the capitalist cycle.

The three sections of the book contain a thorough analysis of the specific and distinctive features of the postwar economic cycle in the United States, a discussion of its effect on the financial status of the population and a description of the interaction of the U.S. cycle with the cyclical development of the world capitalist economy.

The study is based on an exceptional abundance of facts and statistics and focuses on the 1970's--that is, the most recent past, when cyclical processes acquired new features as a result of the interaction of cyclical crises with structural crises and when the crises themselves and recovery from them were complicated by chronic inflation.

Neither bourgeois economic theory nor the state-monopolistic practice of economic regulation was prepared for these peculiarities of the crises of the 1970's. The U.S. Government, just as the governments of other leading capitalist countries, set in motion the entire arsenal of measures, worked out in accordance with the theory and practice of economic regulations, but, as demonstrated by economic reality, particularly the next economic crisis, these "tested" state-monopolistic anticyclical measures were incapable of effectively counteracting the problems engendered by the contemporary cycle.

Considerable and totally justifiable attention is also given to an analysis of the capitalist cycle's effects on the status of the working class, the economic struggle of the American proletariat in the 1970's, the structure and duration of unemployment, personal consumption and the structure of personal savings.

Several important new problems are thoroughly analyzed. These include the "interaction" of the world industrial cycle with the U.S. national cycle, the mechanism of the transference of cyclical crises and the role of capital and manpower migration in the international cycle mechanism.

All sections of the book contain logical criticism of contemporary bourgeois theories and disclosures of attempts by bourgeois economists and sociologists to repudiate the Marxist-Leninist theory of cycles and crises and represent state-monopolistic anticrisis policy as something capable of "blunting" the edge of the cyclical movements of capitalist economics.

This fundamental scholarly work is the latest in a series of studies of the capitalist cycle, conducted by the Institute of World Economics and International Relations over a period of many years. It would be of great interest and educative value to the scientific community and the general public.

American Continental Policy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 p 121

[Review by Yu. K. Krasnov of the book "SShA i Yevropa: obshchiye problemy amerikanskoy kontinental'noy politiki. Kriticheskiy analiz burzhuaznoy istoriografii SShA" (The United States and Europe: General Problems in American Continental Policy. Critical Analysis of Bourgeois Historiography in the United States) by S. A. Appatov, Moscow, Mysl', 1979, 238 pages]

[Text] The author of this work has attempted to write a comprehensive study of postwar American bourgeois historiography on international relations and U.S. foreign policy, and its various goals, currents and movements in relation to their evaluations of U.S. postwar European policy. The chronological framework of the study takes in American bourgeois historiography of the 1960-1975 period. A critical analysis of hundreds of works by American bourgeois researchers allows S. I. Appatov to delve deeply into the fanciful constructions of bourgeois ideological and political theories, analyze the theoretical foundation on which contemporary bourgeois historiography is based and considerably supplement existing Soviet historical, economic, sociological and other studies of U.S. foreign policy.

In contrast to other Soviet researchers of this topic, S. I. Appatov analizes American bourgeois historical studies of the United States' European policy with a view to elucidating the more general problems and concepts connected with this policy: "Atlantic partnership" and "Western European unity" (pp 37-129), as well as the problem of collective security on the continent (pp 129-204).

The author devotes particular attention to an analysis of bourgeois arguments in regard to international detente.

The author arrives at the general conclusion that the process of differentiation is now more pronounced in American historical and political science. The most deep-seated causes of this can be found in the increasingly acute crises of bourgeois historical methodology. Certain advances in historiography in the direction of a recognition of the actual balance of power in Europe have not brought about a change in the narrow outlook of bourgeois authors or the injurious methods they use to study the historical process.

Conference on American Studies of U.S. Foreign Policy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79 p 121

[Report by T. A. Bychkova on American interpretations of U.S. foreign policy (based on materials of a Tomsk State University regional science conference)]

[Text] A regional science conference on the methodology of history, historiography and source studies was held at Tomsk State University. The subsection on the "Historiography of U.S. Foreign Policy" was attended by experts on American affairs from Moscow, Tomsk, Novosibirsk, Odessa, Kemerovo, Novokuznetsk, Tyumen' and other cities. The following reports were heard: "American Historians of the Neo-Liberal Movement on U.S. Policy Toward Germany after World War I" (candidate of historical sciences N. S. Indukayeva, Tomsk), "American Historians of the Conservative Movement on U.S. Policy Toward China, 1945-1950" (candidate of historical sciences S. V. Vol'fson, Tomsk), "The Falsification of Soviet-Baltic Relations by Contemporary American Authors" (candidate of historical sciences O. F. Rubtsov, Yaroslavl'), "The Rio de Janeiro Pact in the Works of U.S. Statesmen and Politicians" (candidate of historical sciences V. I.

Varyushchenko, Novosibirsk), "The Oregon Question as Elucidated by American and Canadian Authors" (Candidate of Historical Sciences Yu. G. Varnakov, Kemerovo), "The Classification of Schools and Movements in Postwar American Bourgeois Historical Studies of International Relations and U.S. Foreign Policy" (Candidate of Historical Sciences S. I. Appatov, Odessa), "Contemporary American Bourgeois Authors on the Essence of the Radical Movement in American Historiography" (Candidate of Historical Sciences M. Ya. Pelipas', Tomsk), "Some Methodological Problems of Contemporary American Bourgeois Historiography" (Doctor of Historical Sciences A. Ye. Kunina, Moscow) and others. In all, 17 reports and speeches were presented.

Many questions were discussed at the conference; some of them were only raised and will require further examination. Participants said that the practice of convening historiographic conferences of experts on American affairs should be continued and called for more thorough investigation of the connection between American foreign policy and social processes occurring in the United States.

8588
CSO: 1803

COUNCIL ON FOREIGN RELATIONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 11, Nov 79
pp 122-127

[Article by I. Ya. Kobrinskaya]

[Text] The profound changes that have taken place in the international arena since the end of World Ward II have substantially modified the foreign policy decision-making mechanism in the United States. This mechanism has become much more complex and government agencies have begun to involve experts and scientific advisers in the political process in connection with a broad spectrum of problems, from armament questions to the problem of combating hunger. As a result of this, a multitude (according to various estimates, as many as several thousands)[1] scientific research centers were established at the end of the 1940's, throughout the 1950's and, in particular, in the 1960's. These centers work on contracts with government agencies and departments, primarily the Pentagon and the State Department.

Organizations dealing with problems in the long-range and medium-range planning and forecasting of American foreign policy, as well as domestic, economic and military policy, fall into several categories, differing in terms of their funding and research methods.

The so-called "think tanks"[2] (the RAND Corporation could serve as a "model" establishment of this kind), with rare exceptions, work on contracts with the National Security Council, State Department, Pentagon and other government institutions and are funded by them.

The research centers of American universities (such as, for example, Columbia University's School of International Relations and War and Peace Research Institute, the Hudson Institute, Georgetown University's Center for Strategic and International Studies, the Washington Center of Foreign Policy Research of Johns Hopkins University, the Brookings Institution, etc.) are funded by the government, but they are also supported by private individuals and foundations. In addition to performing their own research work, these establishments also fill government orders and, in one form or another, influence the planning of American foreign political, foreign economic and military strategy.

A special category consists of American businessmen's associations, including the Chamber of Commerce and National Association of Industrialists, which defend and implement the interests of individual economic groups or branches of industry.[3] Finally, in addition to the categories listed above, there is the type of organization called "nongovernmental" by American researchers. These are essentially private organizations, serving the U.S. ruling elite directly. The Atlantic Council of the United States, the Committee for Economic Development, the "Trilateral Commission" and other "independent" organizations of this type are supported by philanthrophic foundations and private individuals, and some of their income is also derived from membership dues and publishing activity. The research activity of these institutes is closely combined with political activity, and their range of interests is extremely broad. It is precisely to this category that the Council on Foreign Relations (CFR) belongs.

The Council on Foreign Relations was formed long before the "expert boom" of the 1950's and 1960's, but it stayed in the background for many years. It is interesting that the organization became famous at precisely the time when some American political figures had begun to talk about its "demise." According to Z. Brzezinski, former director of this council, "if you were a member of the council 15 or so years ago..., you were sure that the discussions here would become policy, either immediately or in the future. Today these are only interesting conversations."[4] Many facts testify, however, that the council has no intention of giving up any of its influence.

The history of the council begins in 1918, when a new "dinner club" was organized in New York. Its members, rich New Yorkers with an interest in international affairs, attended dinners at the club because it gave them an opportunity to hear "what prominent foreign guests had to say."[5] The CFR was officially established as an organization in August 1921. It was headed by leading bankers and attorneys. Elihu Root, one of the heralds of U.S. imperialist expansion, consultant to many of the largest American corporations and banks of that time, first president of the Carnegie Endowment and prominent figure in the Republican Party, was elected honorary president. The president of the council was John W. Davis, Democratic candidate for the presidency in 1924; the vice president was Paul D. Cravath, founder of Cravath, Swaine and Moore, one of the largest and most prestigious law firms on Wall Street; Edwin F. Gay, economic historian, the first dean of the Harvard Business School and the former editor of the NEW YORK EVENING POST, was the first secretary and treasurer of the CFR. This started the tradition by which the governing body of the organization has always been made up of leaders of the business community and prominent members of the ruling elite.

In slightly over half a century, past and present members of the CFR have included such renowned political figures as Henry Stimson, John Foster Dulles, Dean Acheson, George Kennan, Averell Harriman, Dean Rusk, Henry Kissinger, Cyrus Vance, Zbigniew Brzezinski, Walter Mondale, Paul Warnke, Paul Nitze and Charles Yost. Almost all of the directors of the CIA since 1947 have been permanent members of the CFR, including A. Dulles, J. McCone, R. Helms, W. Colby and J. Bush.

Another tradition also deserves mention: In contrast to other research centers advising the government, which have become the "preserve" of one of the two leading U.S. parties (for example, the Brookings Institution is called the "seat of the Democratic Government in exile) and the Aspen Institute, where former U.S. President Gerald Ford is now working, is called the "seat of the Republican Government in exile"), the activities of the CFR have always been of a "bipartisan" nature. Finally, the officers of the CFR have always occupied parallel key positions in other leading institutions connected with policy-making: "In American institutions whose interests lie in the sphere of foreign policy, most of the members of the administration are also members of the Council on Foreign Relations."[6]

In 1978, the members of the New York branch of the CFR[7] included 535 representatives of the business community, 356 prominent individuals from academic circles, 284 government officials, 276 employees of other non-governmental organizations, 180 attorneys, 171 journalists and other mass media workers; in all, there were 1,878 members.[8]

The main goals of the council have not undergone qualitative changes either. In 1922, it was the council's intention to "organize a permanent advisory body on the international aspects of political, economic and financial problems facing America.... In short, this is a group of individuals interested in the spread of information about international relations and, in particular, in intelligent American foreign policy-making."[9]

The report of the CFR for 1977-1978 set forth the following goals: "Creation of a new basis for the resolution of international problems; assistance in constructive extra-party American foreign policy-making; provision of continuity in leadership for policy implementation; information and recruitment of new people for council membership, as well as audience expansion by means of publications and other methods."[10]

The organizational principle of council activity is similar in many ways to the structure of other non-governmental research organizations. Several discussion and research groups, working on specific problems, function within the CFR framework. When research programs are completed, these task forces regroup and begin working on new problems.

The first serious program taken on by the council in accordance with its task of "guiding American public opinion" on foreign policy matters was the publication of a magazine, FOREIGN AFFAIRS, which is still one of the most prestigious periodicals in the field of international relations.

Before the war, the research activity of the council was primarily confined to basic economic problems. The fact that businessmen, governmental officials, journalists and representatives of the military establishment took part in the council's work along with scholars attached particular significance to council studies and recommendations. "Usually, more than 20 men met and discussed a problem approximately monthly for a year or more. Their conclusions about the direction of American foreign policy were... communicated to government officials, formally or informally."[11]

In spite of the spirit of isolationism that prevailed in the United States in the 1920's and 1930's, the Council on Foreign Relations advocated an expansionist foreign policy from the very beginning of its existence. The reasons for this are obvious: As American researchers L. Shoup and W. Minter point out, "the council, dominated by corporate leaders, saw expansion of American trade and investment...as the solution to domestic problems. It thought in terms of preservation of the status quo at home, and this involved overseas expansion."[12]

Questions of domestic and foreign policy, as well as economic matters, were already being investigated in close relationship in the council's earliest publications. "In our day, it is already difficult to draw a line between foreign policy and domestic policy issues.... It is equally difficult to separate economic considerations from political ones,"[13] one of its documents stated.

The CFR took an active part in the debates of the late 1920's and early 1930's, during the "Great Depression," on the possibility of American "self-sufficiency." The group studying this problem, under the supervision of future U.S. Secretary of State J. F. Dulles (other members of the group were Secretary of Agriculture Henry Wallace, Budget Director Lewis Douglas and secretary of state Economic Adviser Herbert Feis), opposed this theory, firmly stressing the need to expand American economic ties. American researchers have noted the increasing influence of the council in foreign policy decision-making during President F. D. Roosevelt's term in office.

The principal CFR program of the 1939-1952 period was the "War and Peace Studies Project." This group was formed at the initiative of U.S. Secretary of State C. Hull and his Undersecretary F. Welles. The heads of the "War and Peace Studies Project" were also on the State Department's advisory committee on postwar foreign policy-making. As L. Shoup and W. Minter point out, "at least 5 cabinet-level departments and 14 separate government agencies, bureaus and offices were interlocked with the project."[14]

The second world war and the subsequent period of cold war totally undermined the position of "isolationists" in the United States. Questions of American Government foreign policy took the fore. Under these conditions, the CFR's ideas about the creation of a single worldwide political and economic system with the United States at its head received widespread recognition and development. The group worked out the bases of U.S. global strategy, which included the definition of such key concepts and policy directions as the U.S. "national interest," the "Grand Area" and the "new world order." The term national interest presupposed protection of the interests of big American capital in any part of the world and, as a minimum, free access to markets and raw materials in the nations of the former British Empire, the Far East and the entire Western hemisphere.[15] The term "Grand Area" took in the entire Western hemisphere, Great Britain and the Commonwealth countries, Western Europe and Japan; it virtually coincided, as L. Shoup and W. Minter stress, with the concept of the "Free World."[16] On the basis of the "national interest" and "Grand Area" concepts, the council worked out a strategy for a "new world order," which lay at the basis of all council studies, recommendations and publications and determined the nature of its influence on foreign policy decision-making and, to a considerable degree, on the essence of these decisions until almost the beginning of the 1970's.

In a slightly modified form, the CFR's global concept was also reflected in the strategy of "interdependence," which the council worked out during the 1970's as part of the "1980's Project," in an attempt to implement the idea of the "new world order" under current conditions. The council was actively involved in U.S. policy-making in regard to Western Europe, Southeast Asia and Latin America.

The council's views on Soviet-American relations deserves special attention.

The CFR played an important role in the elaboration of the "containment" doctrine. Its author, council member George Kennan, set forth the basic premises of this doctrine in his report to the CFR in January 1947. That summer, his famous article "The Sources of Soviet Conduct" was published in FOREIGN AFFAIRS (at that time, Kennan was the head of the Department of State's Policy Planning Committee), signed with the pseudonym "Mr X."

The studies conducted by the council in the 1950's and 1960's and the resulting recommendations to the government played an important part in increasing the U.S. defense budget, building up nuclear potential and spreading the myth of the "Soviet military threat." In recent years, however, council recommendations have undergone considerable changes and now proceed from the need to seek reasonable compromises. Questions of Soviet-American relations are still of primary importance in council activities. Various aspects of these relations were the topic at six meetings and seminars in 1978, which were conducted jointly with the Kennan Institute for Advanced Russian Studies. Representatives of various university centers, the National Security Council, the CIA and the Pentagon and union leaders took part in the discussions.

The council's position in regard to China has also been shaped by the "new world order" doctrine. As early as the 1960's, CFR recommendations were already pointing out the need to normalize relations with Beijing. The authors of the work on CFR activity call the changes in the United States' China policy one of the council's "successes."[17]

Another major aspect of council activity is the task of influencing corporate policy. In particular, the CFR organizes semiannual seminars on foreign policy for young businessmen. Besides this, direct consultations are offered to American corporations, which "make foreign policy in the same way as the American Government."[18] In turn, corporate members of the council include Chase Manhattan, General Electric, General Motors, Ford Motor, Continental Can, Gulf Oil and other gigantic corporations, particularly those with overseas investments.[19] The seminars serve the CFR as a source of financial support: In 1978, the council received 562,000 dollars from corporations to finance these seminars; in 1979 the figure is expected to reach 700,000.[20] But the main purpose of the seminars is the implementation of CFR ideas in the conduct of leading monopolies.

Incidentally, the practice of holding such seminars is not the exclusive prerogative of the CFR. It is also typical of other organizations of this type, such as the Brookings Institution, for example.

Although the organization of various research projects and seminars puts the council in the same category as other research centers, its functions, as we mentioned above, are much more extensive. This unique "club" of the ruling elite pursues the goal of creating and reinforcing upper echelon public opinion in the United States on matters of foreign policy. This is primarily achieved through personal ties--the interlocking of CFR leadership with the boards of directors of the largest banks and corporations (especially transnational), with the administrative link in government institutions, leading university centers, private foundations and mass media corporations and with the leadership of the AFL-CIO. The "service records" of several current council members can be cited as examples.

The chairman of the CFR Board of Directors is David Rockefeller. He is the head of the widely renowned elitist "Trilateral Commission" and the chairman of Chase Manhattan, a bank that is the "most influential in the world from the political standpoint."[21] David Rockefeller leads the Rockefeller empire, which controls the capitalist world's largest corporation, Exxon, as well as Mobil, Standard Oil of Indiana, Standard Oil of California and others. He is a member of the board of directors and trustee of the Rockefeller Brothers Fund, the Museum of Modern Art, Harvard University and the University of Chicago, the director of Rockefeller Center and so forth.

Council leader John McCloy, partner in the New York law firm Milbank, Tweed, Hadley and McCloy, was previously Chase Manhattan's chairman of the board. His "service record" includes the following positions: U.S. high commissioner in Germany (1949-1952), chairman of the Coordinating Committee on the Cuban Crisis (1962), special adviser to the President on disarmament (1961-1963), member of the board of directors of Allied Chemical, American Telephone and Telegraph, Metropolitan Life Insurance and Westinghouse Electric and trustee of the Ford Foundation and Amherst College.

The editor of the CFR's journal FOREIGN AFFAIRS is William Bundy. He is a partner in the Washington law firm of Covington and Burling. Bundy first served as assistant director of the CIA and later as undersecretary of defense (1961-1964), assistant U.S. secretary of state for Far Eastern affairs (1964-1966) and trustee of the Committee for Economic Development and Yale University.

Another CFR leader is Douglas Dillon, chairman of the board of the New York investment firm, Dillon, Reade and Co., member of the board of directors of two other financial concerns, director of the Rockefeller Foundation, the Brookings Institution and the Metropolitan Museum and secretary of the treasury in 1961-1965.

Former director of the Arms Control and Disarmament Agency, just recently the head of the American SALT delegation, Paul Warnke, is a partner in the Washington law firm of Clifford, Warnke, Glass, McIlwain and Finney. He was assistant secretary of defense in 1967-1969.

Cyrus Vance, now the U.S. secretary of state, has been a member of the council on foreign relations for a long time. He is a partner in the New York law firm Simpson, Thatcher and Bartlett, a member of the board of directors of Pan American World Airways, the American Life Insurance Company, IBM, the American Red Cross, the University of Chicago and the Rockefeller Foundation. He was formerly assistant secretary of defense and head of the American delegation at the Paris peace talks on Vietnam.

An important role in council activities was played by Harold Brown, renowned nuclear physicist, secretary of the Air Force in the Johnson Administration, later president of the California Institute of Technology and now U.S. secretary of defense, as well as former Democratic Senator from Minnesota Walter Mondale, now vice-president of the United States.

Michael Blumenthal, secretary of the treasury until recently, is also a council member. He is a former president of the Bendix Corporation and trustee of Princeton University.

Finally, there is Zbigniew Brzezinski, now the President's national security adviser.

For American analysts of the political process, it is no secret that "big policy" is actually made not in the White House, but in a few "non-governmental" organizations like the CFR (and the CFR is one of the leaders in this field). These are the coordinating centers of the American ruling elite, the influence of which does not depend on isolated election victories or other political twists of fate, but on the real power of the members of this elite--power stemming from their economic strength. These members make the final decision on who will (or will not) be president, who will make up the new cabinet, etc. The source of their power is money and their "control over major corporations and financial institutions."[22] It is precisely this that gives rise to what Thomas Dye, prominent American researcher of the ruling elite and the workings and its political influence, calls "oligarchic tendencies" in the policy-making process.[23]

In Dye's outline of the oligarchic model of policy-making, the central coordinating role is played by policy-planning organizations. They form the viewpoint of the ruling elite--corporate, financial and governmental--for the purpose of elaborating political recommendations that will subsequently be reflected in the actions of "official" politicians. "The organizations of the ruling elite are concerned almost exclusively with long-range policy planning.... These organizations...provide the government with an ideal recruiting base, as they supply it with highly experienced specialists in international relations, people who are also capable of developing a 'foreign policy philosophy.'"[24]

The idea of creating organizations like the CFR was first brought up in Great Britain at the beginning of the 20th century by members of the English "Round Table."[25] Throughout its existence, the council has had contacts with institutes of this kind in other capitalist countries. It has taken an active part in conferences of the world's most prominent industrialists and financial magnates and leading politicians--the so-called Bilderberg meetings. For the planning of a "new world order," in D. Rockefeller's words, the CFR wants to bring the "best brains in the world" together. As the American researchers aptly remark: "Rather, these are mainly the most affluent brains" from North America, Western Europe and Japan.[26]

According to American political scientists, the "high point" of all the activity of the council and the Trilateral Commission was the election of J. Carter to the presidency in 1976: His "rise" began much earlier, as "he had already become a member of the CFR 4 years earlier on the recommendation of David Rockefeller and Zbigniew Zbrzezinski."[28] In 1973, Carter, who was then still the governor of Georgia, also became a member of the Trilateral Commission.

All of this testifies that a study of the activities of the Council on Foreign Relations and other leading policy-planning organizations and an analysis of the mechanism of their influence and their membership roles make it possible to discern the strategic lines that are now gaining strength in American foreign policy, identify "new names" in the U.S. political arena and predict the central issues of internal political debates in the United States over international relations.

FOOTNOTES

1. See P. Dickson, "Think Tanks," New York, 1971, p 27.

2. Ibid. See, also, I. L. Sheydina, "SShA: 'fabriki mysli' na sluzhbe strategii" [The United States: "Think Tanks" at the Service of Strategy], Moscow, 1973.

3. For more detail, see N. A. Sakharov, "American Business Associations," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1977.

4. FAR EASTERN ECONOMIC REVIEW, 25 March 1977, p 39.

5. H. Heaton, "A Scholar in Action: Edwin F. Gay," Cambridge (Mass.), 1952, p 203.

6. AMERICAN OPINION, May 1978, p 71.

7. The Council on Foreign Relations has 37 branches in major American cities.

8. "Council on Foreign Relations, Annual Report 1977-1978," New York, 1978, p 77.

9. "Council on Foreign Relations. By-laws with List of Officers and Members," New York, 1922, p 1.

10. "Council on Foreign Relations. Annual Report 1977-1978," p 5.

11. L. Shoup and W. Minter, "Imperial Brain Trust. The Council on Foreign Relations and United States Foreign Policy," New York-London, 1977, p 21.

12. Ibid., p 23.

13. "Survey of American Foreign Relations," published for the Council on Foreign Relations, New Haven, 1928, pp 20-21.

14. L. Shoup and W. Minter, Op. cit., p 122.

15. Ibid., p 128.

16. Ibid., p 138.

17. Ibid., p 211.

18. AMERICAN OPINION, May 1978, p 71.

19. Ibid.

20. "Council on Foreign Relations. Annual Report 1977-1978," p 95.

21. AMERICAN OPINION, May 1978, p 71.

22. THE JOURNAL OF POLITICS, vol 40, 2 May 1978, p 310.

23. For more detail, see the abovementioned article in THE JOURNAL OF POLITICS, vol 40, 2 May 1978, as well as T. Dye and H. Zeigler, "The Irony of Democracy. An Uncommon Introduction to American Politics,"

Belmont (Calif.), 1970; T. Dye, "Who's Running America? Institutional Leadership in the United States," Engelwood Cliffs, 1976.

24. AUSSENPOLITIK, vol 29, No 2, 1978, p 178.

25. The "Round Table" groups were founded in 1908 by Lord Milner; they were financed by the Rhodes Trust (L. Shoup and W. Minter, Op. cit., p 12).

26. Ibid., p 262.

27. For more detail, see N. D. Turkatenko, "The Sources and Goals of the 'Trilateral Strategy,'" SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 9, 1977.

28. L. Shoup and W. Minter, Op. cit., p 275.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1979

8588
CSO: 1803

- END -

JPRS 75136

14 February 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 12, December 1979

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

50272 -101

REPORT DOCUMENTATION PAGE	1. REPORT NO. JPRS 75136	2.	3. Recipient's Accession No
4. Title and Subtitle USSR REPORT USA: ECONOMICS, POLITICS, IDEOLOGY, No. 12, December 1979			5. Report Date 14 February 1980 6.
7. Author(s)			8. Performing Organization Rept. No
9. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201			10. Project/Task/Work Unit No. 11. Contract(C) or Grant(G) No (C) (G)
12. Sponsoring Organization Name and Address As above			13. Type of Report & Period Covered 14.

15. Supplementary Notes
Translation of the monthly, SShA: EKONOMIKA, POLITIKA, IDEOLOGIYA, published by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences, Moscow.

16. Abstract (Limit: 200 words)

The report contains articles by Soviet public figures, Americanologists, and others, on Soviet-American relations and on political, military, economic, scientific, technological, and other aspects of life in the United States and Canada.

17. Document Analysis a. Descriptors

United States
Canada
Sociology
Economics
Geography
Propaganda

b. Identifiers/Open-Ended Terms

c. COSATI Field/Group 5D, 5K, 5C

18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22161	19. Security Class (This Report) UNCLASSIFIED	21. No. of Pages 126
	20. Security Class (This Page) UNCLASSIFIED	22. Price

(See ANSI–Z39.18)

OPTIONAL FORM 272 (4–77)
(Formerly NTIS–35)
Department of Commerce

JPRS 75136

14 February 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 12, December 1979

Translation of the Russian-language monthly research journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

PAGE

Banning of Nuclear Weapons Tests--Urgent Problem Concerning Disarmament
(V. F. Davydov). 1

Shift to the Right--Imaginary and Real
(S. M. Plekhanov). 14

International Law and the Development of Deep-Water Seabed Resources: Evolution of the U.S. Position
(A. A. Sagiryan) 31

Attempts to Solve the Ecological Crisis and Their Consequences
(V. Yu. Katasonov) 47

Washington-Beijing: 'Quasi-Allies'?
(V. B. Lukin). 62

'Undiplomatic' Resignation and Its Echoes
(I. A. Geyevskiy). 69

Vilhjalmur Stefanson and His Dream*
(Yu. P. Sal'nikov) 73

Books--Envoys of Good Will
(V. A. Voyna). 74

Activization of U.S.-Chinese Economic Contacts
(A. B. Parkanskiy, A. A. Nagornyy) 78

American Lawyers Visit the Soviet Union
(Griffin B. Bell Interview). 87

---

*Not translated by JPRS.

CONTENTS (Continued)

Page

The Execution of Charles Horman. An American Sacrifice*
(Thomas Hauser) 90

The Energy Crisis and U.S. Aviation Industry*
(S. D. Beshelev) 91

The Data-Processing Industry*
(G. B. Kochetkov) 92

Japanese Management in the U.S.*
(A. N. Kuritsyn) 93

Book Reviews

Malcolm Cowley Memoirs, A. S. Malyarchik 94
Interest Groups, Lobbying, Policymaking, T. N. Yudina 97
American-Japanese Textile War, A. A. Soskin 98

The USSR-Canada: Scientific and Technological Contacts
(B. I. Alekhin) 101

American Atlantic Council
(A. F. Gorelova) 105

Contents for 1979 112

---

*Not translated by JPRS.

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY, No 12, Dec 1979

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo Nauka

Place of Publication : Moscow

Date of Publication : December 1979

Signed to press : 12 November 1979

Copies : 38,000

COPYRIGHT : Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1979

BANNING OF NUCLEAR WEAPONS TESTS--URGENT PROBLEM CONCERNING DISARMAMENT

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79
pp 3-12

/Article by V. F. Davydov/

/Text/ On the eve of the 1980's the problem of halting the nuclear arms race has reached an unprecedented urgency. The continuing growth of nuclear arsenals, the diversification of the types of deadly weapons and their qualitative improvement bear the greatest threat to peace. The proposals of the USSR on halting the production of nuclear weapons in all their types and modifications and gradually reducing their stocks up to their complete elimination are of primary importance for reducing the threat of nuclear war. These proposals have found widespread support of the peace-loving forces. An appeal to launch an active campaign for the purpose of putting an end to the nuclear arms race is contained in the appeal which the World Council of Peace addressed to the peoples in February 1979.

The coming into force of the SALT II Treaty will be an important step toward the achievement of this goal. General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev, in stressing the positive significance of this treaty for curbing the arms race, in his speech on 2 March 1979 noted that it "will help also to give a boost to the negotiations now being conducted--for example, on the total banning of nuclear weapons tests."[1] The question of drafting a treaty on the total and universal banning of nuclear weapons tests was examined at the meeting in Vienna in June 1979. Some progress in drafting such a treaty was noted in the Joint Soviet-American Communique. The USSR and the United States confirmed their intention "to carry out work jointly with Great Britain for the quickest possible conclusion of the preparation of this treaty."[2]

In the set of measures aimed at the limitation of the nuclear arms race the problem of the complete and universal halt of their tests occupies a special place. Few people doubt that if the tests of all nuclear devices were banned, the improvement of nuclear weapons and the appearance of new modifications of them, such as the neutron bomb, would encounter virtually insurmountable obstacles in their way. F. Church, chairman of the Senate Committee on Foreign Relations of the U.S. Congress, has also expressed the opinion that "the banning of all nuclear tests is of colossal importance, since, first, this would help to limit the arms race and thereby would promote the strengthening of national security and, second, would encourage the nonnuclear countries henceforth to refrain from developing their own nuclear weapons...."

Such a step could have a beneficial influence on the creation of an international climate which would facilitate the solution of many problems of nuclear disarmament, particularly the further limitation and reduction of nuclear arsenals, the nonproliferation of nuclear weapons and others.

In historical retrospect the banning of nuclear weapons tests is one of the questions discussed for the longest time. The United States was to first country to test nuclear weapons, the Soviet Union was the first to begin the drive for the total banning of their tests. In 1955 the Soviet Government submitted a proposal on halting the tests of atomic and hydrogen weapons to a subcommittee of the UN Disarmament Commission, emphasizing that this problem is so important that it should be solved first of all regardless of the course of the discussion of other questions of disarmament. Such a point of view on the urgency of halting the tests was by no means dictated by the aspiration to undermine the military positions of the capitalist countries, particularly the NATO bloc, as western experts claim. The Soviet Union acted first of all to halt a further nuclear arms race, the begun development of nuclear missile systems and the inclusion in the arms arsenal following atomic weapons of even more destructive weapons--hydrogen weapons, and to eliminate the danger of nuclear war.

The proposal of the USSR conformed to the hopes of the peoples of all countries of the world. The insistent demands of the world public to halt the radioactive contamination of the planet and to save its inhabitants from the deadly effect of tests of nuclear devices were behind the USSR initative. However, despite the widespread campaign throughout the world to ban the tests, for more than three years the western powers in essence ignored the USSR proposal, devoting primary attention to the further improvement of the nuclear arsenal and its reinforcement with new, more destructive types of arms. Only in later 1958, under the pressure of peace-loving forces, did the United States and England agree to negotiations with the USSR on this question.

The course of the trilateral negotiations in Geneva showed the contrast of the approaches to the solution of the problem on the part of the USSR and on the part of the United States and England. The Soviet Union supported the idea that the agreement should cover the most general possible types of nuclear weapons tests in the atmosphere, in space, under water and under ground and should be concluded as soon as possible. The western countries, pursuing the tactics of delay and procrastination, made it understood that they did not desire a comprehensive test ban. As became evident later, in the 1960's, the aspiration of the aggressive circles of the West not to tie their hands in the further development of nuclear missile weapons systems was behind this position of the United States and England.

American scholars J. Spanier and J. Noges have noted that it was the Soviet Union, and not the West, which constructively approached the question of halting tests: "The Soviet Union made the first concrete proposal, the Soviet participants in the negotiations consistently insisted on the banning of nuclear explosions, and the Kremlin agreed to concessions for the sake of achieving an understanding. By contrast, the western participants in the negotiations not only impeded their development, but also created insurmountable obstacles for the achievement of separate agreements on tests during the entire first phase of the negotiations."[3]

In order to get the Geneva talks out of the deadlock which they were in, the USSR agreed at the first stage to focus attention on an understanding on banning nuclear weapons tests in only three spheres--the atmosphere, space and under water. On 5 August 1963 the representatives of the USSR, the United States and England signed in Moscow a treaty on the banning of such tests, which entered into force on 10 October 1963.

The importance of the Moscow Treaty first of all consisted in the fact that the radioactive contamination of the planet, which represented a serious danger to the life of man and the environment, was halted; second, the treaty had a positive influence on international relations, having reduced to a certain extent the military political confrontation of the countries of the West and the East; third, its signing created certain obstacles in the way of the aspirations of those aggressive circles of the West, which relied on the continuation of the completely unrestricted nuclear arms race; fourth, the conducting of underground explosions was also partly limited (explosions causing radioactive fallout beyond the territory of the states conducting them were prohibited); fifth, the adequacy of national technical means to monitor the observance of the assumed obligations received international legal recognition in the treaty. On the whole the treaty became a major milestone on the path to nuclear disarmament, which attested to the possibility of countries with different socio-economic systems to cooperate with each other for the successful solution of questions of universal security.[4]

In spite of the positive significance which this treaty has, the majority of experts regard it at present mainly as the starting point for subsequent, more fundamental steps on the path to the total banning of nuclear weapons tests. The conclusion of the treaty in 1963, as historical experience has shown, did not halt the nuclear arms race. Moreover, after 1963 the intensity of the tests increased.[5]

In 1974 the United States and the USSR signed the Threshold Test Ban Treaty, which provides for the banning of tests of nuclear devices with a force of more than 150 kilotons. Its conclusion evoked in the United States some criticism on the part of disarmament experts, who believe that the nuclear weapons systems in the United States for a long time now have not required the conducting of tests of greater force, that the permitted scale of the treaty does not prevent the qualitative improvement of nuclear weapons, and especially the miniaturization of nuclear warheads, and that it is necessary to begin the drafting of a treaty on a total test ban, bypassing the mentioned stage.[6]

Already at that time, after the signing of the treaty L. I. Brezhnev emphasized: "We would like even more and would be ready to go farther. The Soviet Union is ready, in particular, to conclude an agreement on the complete banning of all underground nuclear weapons tests."[7] But during that period the United States did not display a readiness for far-reaching steps in this sphere.

The question of totally banning nuclear weapons tests was repeatedly raised at the United Nations. With the support of the USSR and other socialist countries a resolution was passed in 1975, which called for the initiation of the accomplishment of this step. However, other nuclear countries, for example France, England and the United States, abstained, while the PRC voted against it. At the special session of the UN General Assembly on disarmament in 1978 the majority of countries of the world supported the quickest possible conclusion of the appropriate treaty. This problem is also being discussed at the meetings of the Disarmament Commission in Geneva.

In his first statements after arriving at the White House President J. Carter repeatedly emphasized the need for the quickest possible elaboration of a treaty on the total banning of nuclear weapons tests. On 23 January 1977 the President stated: "I am for the banning of all tests of nuclear devices once and for always."[8]

In March 1977, during the visit of Secretary of State C. Vance to the USSR, an understanding on the initiation of trilateral negotiations, with the participation of England, was reached. These negotiations, which are being held in Geneva, gave new impetus to the discussion in the United States about various aspects of this problem and its importance for American "national interests."

Hearings on the question of the total banning of nuclear weapons tests were held in August 1978 before the Committee on Armed Services of the House of Representatives of the Congress. They revealed the sharp clash of the different views and interests over this problem.

The advocates of a total ban, among whom are such prominent nuclear weapons experts as G. Kistiakowskiy, H. Scoville, R. Garvin, N. Bradbury and others, believe that a treaty on the total and universal banning of nuclear weapons tests could become an important element in limiting American-Soviet "nuclear rivalry." In their opinion, its conclusion would be in the interests of American security, since it would limit the opportunity of both parties to improve their strategic and tactical nuclear potential and thereby would halt the qualitative nuclear arms race. Many of them consider it axiomatic that in the absence of such a treaty the nuclear arms race spiral, even in spite of the SALT II Treaty, will gather momentum. They direct attention to the fact that from a technical standpoint the United States has sufficient experience and knowledge to maintain its nuclear forces at the present level without resorting to tests. Such a point of view on the whole is shared by the State Department, the Arms Control and Disarmament Agency, the Federation of American Scientists, as well as a large group of members of the Congress.

However, the Pentagon, particular the Joint Chiefs of Staff, the directors of the nuclear laboratories in Los Alamos and Livermore and representatives of the military divisions of the Department of Energy support the direct opposite point of view. They claim that tests are necessary for "maintaining the reliability" of the American nuclear arsenal. Their main argument boils down to the fact that without tests it is hardly possible to verify the effectiveness of nuclear weapons systems and thereby to adopt their new types. In spite of the fact that the warheads for new missile systems, such as the MX and Trident, have already been tested, a test ban treaty, in their opinion, would hinder the improvement of tactical nuclear weapons and the development of new systems of mass destruction.

Another of their "arguments" consists in the assertion that "the USSR cannot be trusted." In the opinion of Assistant Energy Secretary D. Kerr, even after the conclusion of a treaty the opportunity will remain to conduct tests in "remote and unobservable strata of the atmosphere and even in space or in the depths of the earth."[9]

Very authoritative experts disagree with this thesis, demonstrating that the national means of verification are adequately developed to establish any serious violations. Thus, A. Myrdal, a well-known Swedish expert on these questions, notes: "From a reasonable point of view the problem of monitoring is overrated and serves as a concealment of the reluctance to reach an agreement."[10] Admiral T. Davies, deputy director of the Arms Control and Disarmament Agency, believes that the procedure of verification by national means of the sides "is adequate to guarantee the assurance of U.S. national security," since "the danger of the inconspicuous conducting of secret tests at levels which are of importance from the military point of view will be minimal."[11]

The theory about the "decay" of nuclear matter in warheads, which ostensibly causes the need for regular tests to check their condition at a given stage, in recent times has found extensive circulation among the arguments of the test ban opponents. But such tests for reliability, as H. Scoville correctly notes, were in fact not practiced in the past, for there was simply no need for this.[12]

Under the pretext of concern for U.S. security interests the test ban opponents are demanding the shortening of the period of effect of the treaty being drafted from the proposed five years to three years, so as to renew the tests immediate upon expiration of this period. D. Kerr, speaking at the hearings on behalf of this group, stated that "regardless of the term of effect of the agreement on the total banning of nuclear weapons tests upon expiration of this term the tests should be renewed" if only "to retain the experienced personnel who took part in the early programs."[13]

Senator E. Kennedy characterized the treaty opponents as a bureaucratic stratum which had "grown up" on nuclear test programs and which does not understand national security problems: "The supporters of the idea of nuclear tests," he said, "are persistently unearthing findings in order to avert the arrival of the day when the United States ceases to explode atomic bombs." But in the meantime the effective guarantee of security at the present stage depends to a greater extent on the scale of the limitations of nuclear weapons than on their accumulations.[14]

The leading nuclear weapons specialists N. Bradbury, R. Garvin and (K. Merk) sent a letter to the President, in which they stated that under the conditions of a total test ban the United States can, "until it appears desirable, be certain of the reliability of its nuclear arms."[15]

A comprehensive test ban treaty would be important not only as a measure to limit the race in this type of weapons and to stabilize the strategic parity between the United States and the USSR. It acquires particular importance from the point of view of the problems of preventing the further proliferation of nuclear weapons.

As is known, a number of "threshold" countries, which did not sign the Nuclear Nonproliferation Treaty--Argentina, Brazil and India, base their refusal to sign it on the fact that they demand of the states not having nuclear weapons to refuse for ever to acquire them, while the nuclear countries are continuing to improve and build up their arsenals, conducting tests of nuclear devices. Thus, then Prime Minister of India M. Desai during a visit to the United States in June 1978 warned that "the United States should not expect other countries such as India to allow the inspection and monitoring of their nuclear installations while the United States itself has a free hand in the expansion of its atomic arsenal."[16]

The nonnuclear countries, who are and are not parties to the treaty, are unanimous that the total banning of nuclear weapons tests would be an important measure of control over their proliferation.

The creation of considerable obstacles to the conducting of tests by states having the potential means necessary to become nuclear powers would be another result of the conclusion of a treaty on the universal and total banning of nuclear weapons tests. The treaty would bind all the participating states, including nonnuclear states, by the obligation to recognize the restrictions on the development of nuclear explosives. These countries would deliberately reject any political or strategic "advantages" whatsoever, which proof of the possession of nuclears arms, and namely their testing, gives.

It would be extremely difficult from the political point of view for the countries, which have not yet signed and ratified the Nonproliferation Treaty, to reject a comprehensive test ban treaty which has received extensive support and which, in contrast to the Nonproliferation Treaty, could not be subject to criticism as "discriminatory." To a certain extent it would become an important and integral supplement to the Nonproliferation Treaty, which is conductive to the common efforts in the struggle against the spread of nuclear weapons. Its signing by the countries which are not a party to the Nonproliferation Treaty could be a prelude to their backing of the treaty.

For the countries, which will continue to remain outside its framework, the existence of a comprehensive test ban treaty would become a factor which prevents the making of a decision on conducting a test. As R. Garvin believes, for example, the conclusion of a treaty "would enable the nuclear states to take strong positions in the sphere of nonproliferation and would afford an opportunity to adopt joint or parallel sanctions against states which begin conducting nuclear tests."[17]

The point of view is also being expressed that in case of the conclusion of a treaty the U.S. position would be noticeably strengthened at the bilateral negotiations on the review of the conditions of cooperation with other countries in the area of the use of atomic energy for peaceful purposes, which is required by the new 1978 American law on intensifying the control over exports of nuclear materials and technology.

The opponents of a total ban of nuclear tests believe that this step will hardly have an appreciable influence on the increase of the restraint of "threshold" countries in the question of whether or not to acquire nuclear weapons. As was noted, in particular, at the hearings before the Committee on Armed Services of the House of Representatives, "the majority of countries which have embarked on the development of nuclear weapons conducted tests of them at the first opportunity."[18] But there is not being taken into account here the fact that the conducting of tests (for example, by France) was facilitated by the lack of a treaty. The Partial Test Ban Treaty of 1963 influenced the slowing of the rate of proliferation.

Another argument, which is often resorted to, is the fact that the states wishing to acquire their own nuclear weapons are worried by regional security problems. However, it is not difficult to notice that regional security is closely connected with global security. For example, if the PRC conducts tests, this is unquestionably regarded as a stimulus for conducting them by neighboring countries which are afraid of the nuclear threat. If the United States conducts tests, then, for example, the nonnuclear states which have strained relations with the American allies (for example, in the Near East) regard them as actions aimed at strengthening the positions of the latter.

Finally, the total banning of tests is not a panacea for proliferation, because it is only one element which links the security of nonnuclear countries. However, there is no doubt that in combination with other measures in the area of nuclear disarmament it would have a positive effect on the solution of questions of nonproliferation.

When the question of halting nuclear weapons tests arises, the supporters of this step also direct attention to its ecological aspect. Thus, in 1970 a leak of radioactive substances led to the contamination of a territory of 250 million square miles in the state of Nevada, which was declared unfit for human use. In 1971 a study made by scientists from Carnegie-Mellon University made it possible to conclude that the increase of child mortality near the sites of underground tests is closely connected with an increased level of radioactivity in the milk of the cows in these regions. American scientists do not deny the possibility that as a result of tests underground waters may be contaminated with radioactive substances, while large-force explosions made even lead to earthquakes.

The test ban opponents often ignore such warnings, while the scientists, who have a material interest in continuing them, attempt to convince the public that the danger to the environment is minimal or is totally absent.[19]

The opponents of a total test ban are right now trying not to get into debates on this question, considering its ecological aspect not worthy of attention as compared with security problems.

American experts are discussing the question of whether all nuclear powers from the start should be parties to a comprehensive test ban treaty. On the whole they agree with the opinion that the United States, the USSR and England, which were the first to sign the Moscow Treaty, are called upon to head the banning process. However, this does not mean that other nuclear states (meaning first of all France and the PRC) may be given a free hand in the improvement of their own nuclear potentials. In this connection H. Scoville recommends the formulation of the treaty in such a way that it would be subject to review every five years. In his opinion, the existence of a treaty would create a legal basis for putting political pressure on France and the PRC, including for the purpose of their backing of the treaty.[20]

The increase of the apprehensions of disarmament experts that the PRC and France in their attempts to improve their nuclear potentials may create additional obstacles in the way of the solution of the question on halting the nuclear arms race attracts attention. Analyzing the results of the special session of the UN General Assembly on disarmament, W. Epstein, for example, writes: "The aspiration of France and the PRC to reduce the gap between them and the superpowers is leading to their taking harder lines in the approach to questions of banning nuclear weapons tests and limiting the nuclear arms race, which may slow progress in these spheres of disarmament."[21]

The typical techniques of the opponents of nuclear disarmament were revealed in the bitter debates over this problem: first, the tendentious overemphasis of negative consequences for U.S. security interests and the ignoring of similar interests of the USSR; second, the aspiration to link the question of concluding a comprehensive test ban treaty with Senate ratification of the SALT II Treaty and the achievement of an agreement on the reduction of military forces and arms in Central Europe and thereby to draw out as long as possible the solution of the question; third, to belittle the political importance of this step for the entire set of measures of nuclear disarmament and the relaxation of international tensions; fourth, extensive manipulation with the myth of a "Soviet threat."

American scientists and political figures, who support the complete halt of nuclear weapons tests, recall that the tactics and arguments being used by the opponents of this measure in the area of disarmament are far from new. J. Pomerance, a member of the United Nations Association of the United States of America, notes that in the United States a silent coalition has existed for a long time, which includes representatives of the Pentagon and nuclear laboratories, congressmen who are closely linked with industrial firms which receive contracts for the preparation and conducting of tests at the testing grounds in Nevada (for example, Reynolds Electrical and Engineering) or with the monopolies which own uranium mines in the United States, for example Continental Gulf.[22]

This coalition made itself known back in 1959, when the first test ban negotiations between the United States, England and the USSR were under way. At that time the opponents of this measure, who were headed by former Chairman of the Atomic Energy Commission (AEC) Admiral L. Strauss, physicist E. Teller, developer of the hydrogen bomb, and new AEC Chairman J. McCone, began an intensive campaign under the pretext that national security interests require the continuation of nuclear weapons tests. It was at that time that E. Teller, in intimidating the senators, stated: "If you ratify this treaty, our country will have no future."

The outcome of the struggle between the supporters and opponents of a total ban on nuclear weapons tests for many observers still remains unclear. In the summer of 1979, when the U.S. Congress began discussing the Soviet-American SALT II Treaty, the test ban opponents subjected the treaty to a frontal attack, calculating that the failure to ratify it would facilitate the torpedoing of subsequent measures in the area of nuclear arms limitation. At the same time the Washington administration realized that the problem of the universal and complete banning of tests has become very urgent and has been raised to a high level of discussion in international organizations, particularly the United Nations, and the time had come when it is necessary to take a more decisive position with respect to the conclusion of the corresponding treaty, despite the increasing pressure of the advocates of a strict power policy and a nuclear arms race. Otherwise, the majority of American political figures believe, both the security interests and the political prestige of the United States will suffer.

The question of nuclear explosions for peaceful purposes is also directly adjacent to the problem of the total banning of nuclear weapons tests. As is known, the banning of the transfer to nonnuclear countries not only of nuclear weapons, but also of nuclear explosive devices is stipulated in the Nonproliferation Treaty (1968). At the same time it contains a clause that each of its participants is obliged to cooperate so that "under the appropriate international observation and by means of the appropriate international procedures the potential wealth from an peaceful use of nuclear explosions would be available to the states which are parties to this treaty, which do not possess nuclear weapons."[23] The conference on the observance of the treaty, which was held in Geneva in 1975, adopted the decision that the International Atomic Energy Agency should be this international organ.

The clause on nuclear explosions for peaceful purposes was included in the text of the treaty because there is no essential difference between them and explosions of nuclear devises for military purposes. If nonnuclear countries were allowed to conduct explosions for peaceful purposes, the Nonproliferation Treaty itself would lose all meaning. How to combine the possibility of deriving economic benefits from nuclear explosions and at the same time to ensure that this would not be to the detriment of nonproliferation--that is the question which is arising during the discussion of this problem.

The United States was one of the first countries in the world, which began to study intensively the practical importance of nuclear explosions for peaceful purposes, implementing the Plowshare program in the 1950's. American scientists devoted primary attention to the possibilities of using nuclear devices for large-scale earth-moving work in the construction of a new canal across the Panama isthmus and the building of sea harbors in Alaska. The possibilities of their use in the mining of minerals, particularly gas and petroleum, the creation of various kinds of underground storehouses and so forth were also studied. However, in spite of some successes of the studies, American scientists more and more often came to the conclusion that the practical use of nuclear explosions for peaceful purposes can be a subject only of the distant future due to the fact that they entail a number of negative consequences, especially from the point of view of ensuring safety. As a result, in the mid-1970's the fulfillment of many U.S. programs in this sphere was slowed down or halted.

The practical importance and economic advantage of nuclear explosions, which were played up in the United States in the later 1950's and early 1960's, attracted the attention of a number of nonnuclear countries. Some of them, for example Argentina and Brazil, insisted that the nonnuclear states, just as the nuclear states, have the right to conduct them independently for their own economic development. However, as the economic aspect became less attractive, while the political aspect became more threatening, voices began to be heard in the United States in favor of the fact that, before coming out with the idea of peaceful nuclear explosions, it is necessary to prevent the appearance of loopholes for their use for military purposes and that the political aspects of the threat of proliferation should hold the main place.

The corrections in the approach to this problem were reflected in the Treaty Between the USSR and the United States on Underground Nuclear Explosions for Peaceful Purposes (1976). In analyzing it, American experts on the whole rate it positively. They emphasize: the treaty attests that only technically highly developed nuclear countries are capable of ensuring physical safety and the possibility of conducting them; that it is advantageous to nonnuclear countries from the economic point of view to direct their attention to the experience of these countries and in the future to cooperate with them in these matters; that the very idea is of importance only when conducting underground explosions, and with a force of not more than 150 kilotons. "The new treaty," THE NEW YORK TIMES wrote on 31 May 1976, "is important primarily in that it does not encourage the advocates of the proliferation of nuclear technology in the world."[24]

At the same time the advocates of a total nuclear test ban believe that, until a comprehensive study of the practical advantages from explosions for peaceful purposes is made on an extensive international level, it is expedient to declare a five-year moratorium on these explosions and in any case not to allow this problem to hinder the achievement of a comprehensive test ban treaty, which is important from the point of view of international security. H. Scoville, in putting the questions of nonproliferation and the reduction of the threat of nuclear war in first place, emphasizes: "The prevention of nuclear war is so important for the survival of mankind, that it would be a world tragedy if the inconsistent peaceful use of nuclear explosions got in the way of the achievement of this goal."[25] As the Congressional hearings in 1978 showed, such a view of nuclear explosions for peaceful purposes is shared by the majority of American experts. The representatives of J. Carter's administration have repeatedly expressed their agreement with this approach.

As to the position of the USSR, as L. I. Brezhnev stated, "...we are ready to reach an agreement that along with the banning of all nuclear weapons tests for a specific period a moratorium should be declared on nuclear explosions for peaceful purposes."[26]

The problem of completely banning nuclear weapons tests is an integral part of the questions of halting the nuclear arms races and preventing their further proliferation. The sharp struggle launched in the United States attests that the militaristic circles are not halting the attempts, as in the case of the SALT II Treaty, to slow military detente and to maintain a free hand in the development of new deadly nuclear weapons systems. The set of "arguments" and methods against a total test ban seems so unconvincing, that the opponents of detente are being forced to resort to the hackneyed myth of a "Soviet threat." Such an approach is fraught with a real threat to U.S. security, since under a similar pretext, for example, of a "threat" from a neighboring country, the other nuclear states and some "threshold" countries may resort to nuclear weapons tests.

The fact that such a prospect of the development of international relations does not correspond to the interests of either the United States or the entire world community does not cause doubt. Precisely for this reason the movement of political and public figures, congressmen and scientists, rank and file citizens for the total halt of nuclear weapons tests is gaining strength in the United States. The U.S. Administration cannot but take this into account when developing its position on this urgent problem.

FOOTNOTES

1. PRAVDA, 3 March 1979.

2. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 8, 1979, p 125.

3. J. Spanier, J. Noges, "The Politics of Disarmament. A Study in Soviet-American Gamesmanship," New York, 1962, p 119.

4. For more detail see "Aktual'nyye problemy razoruzheniya" /Urgent Problems of Disarmament/, Moscow, 1978, pp 62-65.

5. See W. Epstein, "The Last Chance. Nuclear Proliferation and Arms Control," New York, 1976, p 185.

6. See BULLETIN OF PEACE PROPOSALS, No 1, 1977, p 86.

7. L. I. Brezhnev, "Leninskim kursom" /By the Leninist Course/, Vol 5, Moscow, 1976, p 116.

8. THE DEPARTMENT OF STATE BULLETIN, 14 February 1977, p 124.

9. "Effects of a Comprehensive Test Ban Treaty on United States National Security Interests," Hearings Before the Committee on Armed Services, House of Representatives, Washington, 14, 15 August 1978, p 7.

10. A. Myrdal, "The Game of Disarmament," New York, 1976, pp 16-17.

11. "Effects...," pp 132-133.

12. "Opportunities for Disarmaments," New York, 1978, pp 16-17.

13. "Effects...," p 6.

14. AVIATION WEEK AND SPACE TECHNOLOGY, 28 August 1978, p 20.

15. "Effects...," p 182.

16. THE NEW YORK TIMES, 15 June 1978.

17. D. Gompert, M. Mandelbaum, R. Garvin, "Nuclear Weapons and World Politics," New York, 1977, p 127.

18. "Effects...," pp 8-9.

19. P. Metzger, "The Atomic Establishment," New York, 1972, p 92.

20. "Opportunities for Disarmaments," p 16.

21. SURVIVAL, December 1978, p 253.

22. L. Pomerance, "The Anti-Test Ban Coalition," BULLETIN OF THE ATOMIC SCIENTIST, January 1977, pp 51-54.

23. "NPT. Paradoxes and Problems," Washington, 1975, p 96.

24. THE NEW YORK TIMES, 31 May 1976.

25. "NPT. Paradoxes and Problems," p 53.

26. L. I. Brezhnev, "Leninskim kursom," Vol 6, Moscow, 1978, pp 596-597.

7807
CSO: 1803

SHIFT TO THE RIGHT--IMAGINARY AND REAL

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 13-25

/Article by S. M. Plekhanov/

/Text/ "America is moving to the right...." This cliche has acquired unusual popularity in recent years among American politicians, ideologists and journalists.

Numerous cases are cited as confirmation. The correlation of liberal and conservative trends in Congress and the administration is changing in favor of conservatism, as a result of which the Democratic Party is not able to fulfill the promises given in 1976 of social reforms in the area of labor policy, the fight against unemployment, health care, tax legislation and the protection of consumer interests. An entire series of bills, which were called upon to broaden the social activity of the government and the rights of labor unions, suffered defeat from the majority of Congress. The success of Proposition 13 on the reduction of property tax rates in California became a symbol of the movement for the cutting of government expenditures, which, however, does not enfringe on military appropriations; the increase of the latter is interpreted as another affirmation of the shift to the right. The U.S. Supreme Court in its ruling on the "Bakke case" declared illegal the practice of setting up specific quotas for racial minorities in admissions to universities. The seven-year struggle of the women's movement for the passage of the Equal Rights Amendment ended in failure. The conservative and ultra-right forces are stepping up their activity in the area of foreign policy: J. Carter's administration was able with great difficulty to achieve Congressional approval of a new Panama Canal Treaty, but the ratification of the SALT II Treaty has encountered stubborn opposition from the opponents of detente.

The considerable activization of the right forces, which is displayed in these and many other incidents, is obvious, just as the influence of this activization on the political elite as a whole is evident. But to what extent do the processes taking place within the elite reflect broader, more massive ideological and political trends? How objective are the opinions that America "is moving to the right," do they serve as a true evaluation of the overall picture of the sentiments of the nation or do they pass off what is desirable as what is real and are they called upon to provide a "democratic" justification to the real real shift to the right, which is occurring in the upper levels of the political system?

The study of the body of data, which were obtained in the 1970's by researchers of American public opinion, reveals a complex, dynamic picture of the shifts in public sentiments, in which several trends are clearly distinguished.

First, a number of patterns of public opinion, on which the reaction of the 1960's and early 1970's relied, became considerably weaker. For example, a steady decline of the level of racial biases and a broadening of mass support for integration are observed. According to the data of the Center for Political Studies of the University of Michigan, the number of supporters of racial segregation declined during 1964-1976 from 23 to 9 percent. Whereas in 1964 26 percent of the Americans objected to granting blacks the right to live in areas inhabited by whites, by 1976 this contingent had decreased to 8 percent, while 85 percent came out against racial discrimination in the housing question.[1]

The attitude of the public toward so-called "civil disorders," the fear of which enabled the right-wingers at one time to carry voters after them under the slogan "the protection of law and order," has also changed significantly. The number of Americans who support repressive measures with respect to "disorders" decreased during the period of 1970-1976 from 32 to 18 percent of the total number of respondents. In 1976 43 percent came out for finding a solution to the social problems causing discontent. Here the largest shifts occurred in the consciousness of white workers.[2] Moreover, a considerable portion of the population obviously has lost the former hostility toward the very idea of political protest in nonparliamentary forms. The responses to the question: "Do you approve of sitdown strikes, meetings and demonstrations, which are aimed at preventing the government from functioning normally in those instances when other forms of political activity do not achieve a result?" were divided in the following manner:[3]

	1962	1970	1972	1974	1976
No	67	63	57	51	29
Depends on the circumstances	16	28	33	39	61
Yes	7	6	8	8	6
Do not know	10	2	2	2	4

As compared with the 1960's the idea of the need for active government interference in economic and social relations has been strengthened considerably in the mass consciousness. Whereas in 1960 63 percent of the Americans considered it the duty of the government to take steps to provide everyone with a job, by 1978 their number had increased to 74 percent. During the same period the percentage of the advocates of government assistance in the area of health care increased from 64 to 81.[4] Whereas in 1966 the number of advocates and opponents of government price and wage control was approximately equal, in 1978 the ratio became 2 : 1 in favor of imposing such control.[5]

The departure from the positions of the right-wingers also occurred in the attitude of people toward foreign policy matters. The Vietnam War became a serious lesson for the country. Whereas in 1966 44 percent of the Americans approved U.S. intervention in Vietnam and only 29 percent opposed it,[6] in 1978, according to a survey of the Chicago Council on International Affairs, 72 percent expressed the opinion that "the war in Vietnam was more than a mistake--it was a thoroughly immoral, wrong cause."[7] The process of the steady increase of the number of advocates of strategic arms limitation, the expansion of trade and economic relations with the Soviet Union and the progress of detente in other areas is well known.

At the same time a certain shift in favor of conservatism is observed in the sentiments on a number of questions of domestic and foreign policy. Thus, the balance of sentiments on the problem of defense expenditures has changed in favor of the idea of increasing them:[8]

	1960	1969	1974	1978
Defense expenditures are excessive.	18	52	32	16
At the proper level	45	31	47	45
Inadequate.	21	8	13	32

The superiority of conservative sentiments is also being maintained in respect to some programs of social reforms. For example, 83 percent object to the granting of advantages of women and racial-ethnic minorities in hiring and admission to college.[9]

The promoters of the thesis of a "shift to the right" are also attempting to confirm it by such a trend in the development of political sentiments in the United States as the increase of mass discontent over inflation.

According to surveys, the doubling of prices for consumer goods, which has occurred since 1968, is regarded by the overwhelming majority of the population as the main cause for the decline in the standard of living during the last decade; more than two-thirds of the Americans consider the curbing of inflation "problem No 1" facing the country.[10]

The identification of anti-inflation sentiments with the shift to the right is explained by the fact that in the 1950's and 1960's precisely the conservatives and ultra-rightists criticized Washington most actively and extensively for the increase of inflation. This criticism was of a demagogic nature: the increase of prices was explained by the right-wingers as the result of the activeness of labor unions and the development of the social policy of the government. Glossing over the fundamental causes of inflation (the control of major corporations over the markets and the militarization of the economy), they pointed to the increase of prices in support of their demands on the restriction of the rights of labor unions, the curtailment of the social reform activity of the government and the extension of the sphere of entrepreneurial arbitrariness.

The pattern of the mass anti-inflation protest of the later 1970's is of a different nature. First, in the past 20 years the tendency to link inflation and its consequences with the demands of labor unions has lessened considerably. In 1959 41 percent of the Americans placed on labor unions the primary responsibility for inflation (15 percent indicated business as the cause, 14 percent indicated the government); in 1978 only 20 percent blamed the labor unions (Gallup).[11] Second, the government is now considered the main cause of inflation: 51 percent see in its policy the main reason for the increase of prices.[12] Outwardly this is similar to the traditional "antistatism" of the right-wingers, which rejects the very idea of government interference in the economy. However, this is only an outward coincidence: as numerous statistical data attest, Americans are discontent with government policy not because they rule out the possibility of rational government regulation (as was already stated above, the support of the idea of such regulation, on the contrary, is increasing), but because the current specific government policy is resulting in a chronic budget deficit and does not ensure the solution of ripe social and economic problems. The results of the survey conducted by the University of Michigan are very significant. Of those surveyed, 75 percent opposed the idea that "the government should spend less money, even if this means reducing the expenditures on health and education."[13]

Thus, whereas the conservative interpretation of the anti-inflation protest presumes that the increase of inflation will force citizens to lower the level of their demands on the government, in fact the opposite is occurring: while maintaining or even stepping up their traditional demands, society is advancing a new one, namely the demand to eliminate the financial crisis of the government, to straighten out the monetary system. It is not by chance that the conservative anti-inflation program of the Republican Party enjoys the support of only one-fifth of the population.[14]

Another major trend in the development of mass political consciousness in the United States is the progressive increase of the critical attitude toward the principles of the social and political system of society. The results of Harris surveys for the last 10-12 years are very significant. Thus, the number of respondents who agreed with the assertion that "the rich are becoming richer, and the poor poorer," increased from 45 percent in 1966 to 77 percent in 1977. In 1966 26 percent believed that "the people who run the country are indifferent to the fate of citizens"; in 1977 60 percent expressed this opinion.[15] The number of citizens experiencing "great trust" in presidential power decreased from 41 percent in 1966 to 14 percent in 1978, in Congress--from 42 to 10 percent, in the army--from 62 to 29 percent.[16]

The prestige of monopoly capital, which is perceived by the overwhelming majority of Americans as an egotistical social force, to which it is necessary to apply diverse government constraint, in order to lessen the conflicts between the special interests of companies and the interests of society as a whole, has declined sharply. Accordingly the activity of the political forces, which support the restriction of the abritrariness of the monopolies (for example, the consumer protection movement), is receiving broad public support. A significant mass base of the idea of nationalizing a number of large monopolies, first of all in the area of power engineering, has been formed.

Summing up the noted shifts in the mass political consciousness of American society, it is possible to establish--as the predominant trend--an appreciable intensification and broadening of social discontent concerning the nature of the functioning of the state monopoly system. This trend is accompanied, on the one hand, by the lessening of racial and authoritarian biases, a negative attitude toward aggressive foreign policy actions like the war in Vietnam and the broad support of the policy of detente. The discontent with the state monopoly system is by no means developing into the rejection of the very idea of government influence on the economy and social relations and is not leading to apologetics of the market mechanism. At the same time the conservative and reactionary sentiments on some questions, of which the question of the scale of U.S. military preparations is the most important, have been maintained, and in a number of instances activated.

Such a conclusion differs with the results, which are often cited in the American bourgeois press, of public opinion polls, during which it is found that the number of people considering themselves conservatives or supporters of conservativism considerably exceeds the number of liberals of supporters of liberalism. Thus, in a Gallup poll in the autumn of 1978 43 percent defined their political orientation as conservative, 30 percent--as liberal, 10 percent supported some "middle of the road," 17 percent were not able to give a precise definition.[18]

However, the picture here is not that simple, and the preponderance of "conservatives" over "liberals," which is recorded by such polls, is very deceptive. First, this preponderance actually did increase from 8 percent in 1964 to 20 percent in 1970, but since then has steadily decreased.[19] Second, when numbering themselves among "liberals" or "conservatives," only in rare instances do Americans have in mind specific political platforms. During a recent survey conducted by THE NEW YORK TIMES and CBS, 46 percent were not at all able to define the difference between conservatives and liberals, while 17 percent mentioned differences in individual manners of behavior and character traits; only 24 percent of the respondents gave a more or less accurate definition of the political differences.[20]

The problem of the disparity between the ideological preoccupation of individuals and their specific political orientation is traditional of American political life. However, in the 1970's this problem was considerably aggravated in connection with the fact that the active shifts in the mass political consciousness intensified the conflicts between the sentiments of the majority of society and the prevailing forms of bourgeois ideology. The new patterns of mass political consciousness do not fit into these forms and develop apart from them, giving rise to phenomena which bourgeois ideologists designate as "the crisis of confidence," "political alienation" and so forth. As a result the problems of the government of society, the possibility of forming ruling coalitions, the coordination of the positions of various institutions of authority and the mobilization of the mass base for pursuing a certain political course were greatly complicated.

It seems obvious that the major changes, which occurred in the consciousness of Americans under the influence of the Vietnam War, the Watergate crisis and the qualitative deterioration of the economic situation, are creating the natural conditions for the activization of progressive forces and the enhancement of their role in U.S. political life. Signs of this activization are present. But serious obstacles of an institutional and political nature, which prevent the shifts in the mass political consciousness from finding adequate reflection in government policy, stand in the way of the development of this process. Moreover, the direction of the changes in the mass sentiments runs directly counter to the shifts in the political thought of the American ruling class, which is experiencing serious apprehensions concerning the development of events on the world arena and within the United States.

The shift to the right in the outlooks of the American ruling elite takes the form first of all of the evolution of its approach to the domestic policy of the government. The indications that monopoly capital in recent years has sharply increased the pressure on the government, striving to link its policy more closely with its own immediate interests and to cut off the government machinery, as far as this is possible, from influence on the part of the majority of society, are quite numerous. As general evidence it is possible to cite the study of American bourgeois economists L. Silk and D. Vogel, in which the opinions expressed by the representatives of 250 major corporations during seminars conducted by the businessmen's organization The Conference Board in 1974-1975 are summarized. The authors state: "Difficult times... push business to the right, strengthening its resolve to retain its prerogatives and automony in the face of the threat of economic catastrophe and political hostility on the part of the remainder of society.... Many businessmen have begun to fear that capitalism and democracy in the end are incompatible. At the seminars of corporate representatives the opinion was frequently expressed that the American political system will have to be 'reformed' to lessen the vulnerability of the government to the pressure of broad public groups.... In a number of instances the directors argued in vague terms about the need to impose 'wartime discipline' and 'to establish more effective control over society....' Today American business leaders... are asking the question: To what extent have the principles, which always regulated the relations between corporations and the public, become incompatible with the rates of return, which are necessary for the preservation and growth of American capitalism? They see the inevitable conflict between the corporate sector, which basically preserves their independence, and the elected government, on which the enormous mass of voters, who are striving to realize their own goals regardless of whether they hurt business or not, are exerting pressure."[21]

The logic of the authoritarian aspirations of the financial oligarchy is quite straightforward. Considering private business the main source of strength of American capitalism, the leaders of the business world see the causes of the intensification of the crises in American society in the fact that a system of government policy, which "fetters" the private sector, was formed as a result of "excessive compliance" of the government with various social demands. Burdened by the contradictions which resulted from its own movement, capital is now blaming both society and the government for the creation of an "unfavorable climate" for new investments, the expansion of production and the winning of new markets.

Accordingly a program to stimulate accumulation in the private sector is being advanced, which provides for the considerable reduction of government expenditures (first of all for social needs) and the granting of new tax breaks to corporations, the "watering down" of the laws on environmental protection and the protection of consumer interests, the elimination of many forms of government regulation and new restrictions on the rights of labor unions.[22]

The strategy of the monopolies is based on the expectation that in the future these steps will make it possible to increase the rate of economic growth and to establish political stability. However, in the short run the program "to improve the climate of business activity" inevitably causes sharp discontent of the workers and an increase of domestic political tension. Hence the fear of "an excess of democracy," "the uncontrollability of society," that is, the possibility that the resistance of the masses will wreck the strategy of the monopolies, that alternative programs to overcome the crisis will be formulated and implemented.

The growing aspiration of the bourgeoisie to shield the government from pressure from below is revealed both in the sharp step-up of the direct participation of business in the open political struggle and in its persistent aspiration to make a number of changes in the political system. The major corporations consider it necessary again to extend the prerogatives of the executive, clearly considering the Congress less controllable if only due to the representation in it of a broader spectrum of conflicting interests.[23] Business circles are actively supporting the criminal law reform bills, which contain clauses on the restriction of the political freedoms of citizens.

The opinion in favor of a "hard line" in domestic policy, which has formed in monopolistic circles, is having an enormous influence on the political elite. The Republican Party, which lends an especially sympathetic ear to the sentiments in the indicated groups, reflects this opinion in the purest form. The attempts of the last two Republican administrations to make a shift to the right in domestic policy had a considerably influence on the government's policy, but at the same time led to an increase of domestic political tension, the removal of the Republican Party from the presidency and the sharp narrowing of its mass base.

However, the pressure of the authoritarian program of the monopolies on the government did not weaken. Going over to the opposition, the Republican Party is preaching the need for a shift to a right with even greater zeal than before. At the same time the Democrats, who won the White House to a considerable extent on the wave of discontent with the policy of the Republicans, are revealing a clear continuity with respect to the legacy of their predecessors. Of course, the conservative direction of the domestic policy of J. Carter's administration is softened by considerations of the maintenance of a mass base, is concealed by populist rhetoric and is being implemented under the conditions of a keen intraparty struggle and the vigorous pressure of various right-wing groups on the administration. The activization of the latter after the Republicans lost power was caused, apart from all else, by the need to neutralize the pressure on J. Carter of such active elements of his mass base as the working-class, black and other mass democratic movements.

The second major trend in the conduct of the ruling circles, which is evoking the activeness of right-wing currents, is the strengthening of the militaristic groups within the ruling class and the increase of their opposition to the policy of detente. It is a question of all those groups within business circles, the government machinery, the party apparatus, the means of mass information and academia, which for certain reasons or others defend the use of military power as the main tool of U.S. foreign policy. The military industrial complex, which is understood as the combination of interests which are directly connected with the functioning of the military machine, can be regarded as the most stable, main, but not the only militaristic group. For all the relative independence of the military industrial complex, it plays in the end a subordinate role with respect to the U.S. state monopoly system as a whole.

However, from the interest of the ruling class in the services of the military industrial complex it does not follow that this entire class constantly occupies militaristic positions. The bourgeoisie defends its interests both by force and by reforms and concessions, and, as V. I. Lenin emphasized, the combinations of both methods and the shifts from one to the other are of a nature known to be contradictory owing to the contradictoriness of the very position of the bourgeoisie.[24]

The bourgeoisie as a whole and its individual representatives can waver in the question of the role of armed force in foreign policy, "taking a fancy" to the cult of force in some historical situations and placing liberal reforms in the forefront in others. We should apparently consider militaristic the groups, whose particular predilection for an aggressive foreign policy is of a more constant nature, which is the result of the specific nature of their economic, political or ideological interests. In addition to the military industrial complex, that is, the very machinery of the production and use of armed force, the groups of the ruling class, which systematically link the achievement of their political goals primarily with the activity of this complex, belong here. Their representatives at times display greater adventurism in matters of war and peace than professional soldiers.

American militarism suffered a truly historical defeat in the late 1960's and early 1970's. The fact that the turn toward detente was accomplished under the aegis of a conservative administration, which was formed with the active support precisely of those elements of the ruling class, which throughout the 1960's defended most stubbornly the need to take a harder line in foreign policy, became a gauge of the depth of the crisis of the "Cold War" policy.

Operating within the coalition of R. Nixon, the militaristic groups "supported" the changeover to detente in the context of the very contradictory general policy of the Republican administration, which was formed in the atmosphere of a most acute domestic political crisis under the pressure of antiwar and liberal forces. To the extent that R. Nixon's administration displayed a willingness to recognize the qualitatively greater limitations on the use of force by the United States, it confirmed by its policy the fact that American militarism had been defeated and its influence had waned. But, of course, this administration took a more than sympathetic attitude with respect to the military industrial complex and did everything to limit the scope of the harm done to it and to shield it from attacks. Having preserved for themselves the "strategic heights" of the government, the militarists in turn regarded detente as a respite, a temporary tactical maneuver, which was to be used for the regrouping of forces and adaptation to the changed situation.

The "coexistence" of U.S. militaristic forces with the policy of detente was, as is known, of a highly conflicting nature. Taking advantage of the relative freedom of actions within the overall government policy, these forces did not halt the actions which directly or indirectly harmed the process of normalization of Soviet-American relations. They were able to place obstacles in the way of the development of trade and economic cooperation between both countries, to slow down by several years the completion of the work on SALT II, to achieve the adoption of rearmament programs of the United States and NATO, to set up certain forms of cooperation with Beijing and to revive to some extent the sentiments within the United States in favor of an increase of defense spending and the pursuit of a more aggressive foreign policy.

At the same time the objective restrictions and limits of the possible rehabilitation and revival of militarism appeared very clearly. The war in Indochina ended in the complete and unconditional defeat of the United States, while subsequent years showed the ineffectiveness of the American war machine as a tool of foreign policy. The set of domestic limiters of militarism was preserved: the attempts to restore the "imperial presidency" did not yield results; it was not possible to isolate the process of making decisions on military questions from public influence; the pressure of the social and economic demands of the workers on the federal budget continued to paralyze the economic resources for the expansion of military programs.[25] Finally, despite the fierce opposition of the opponents of detente the principle of equality and equal security of the sides, which served as the basis for the conclusion of the SALT II negotiations, was maintained in the military relations between the United States and the USSR.

The tendency for militarism to develop further, relying on vast material and technical resources and powerful government structures, is coming into sharper and sharper conflict with these restrictions, which at first glance are of an extremely political nature (an unfavorable ideological climate, arrangement of political forces and so on). In this situation the militarists are feeling a growing need for independent political actions, which are aimed at a radical change in the climate and arrangement of forces in the country, and for the development of a national movement for a "strong America." The 1976 presidential campaign, during which the opposition to detente, the increase of military strength and the stepping up of the global military role of the United States became the slogans of the right-wing forces in both parties, became the first test of strength of this movement. The second battle was launched in 1978 over the question of the ratification of the Panama Canal treaties. In both cases the right-wingers were not able to achieve the clear victory for which they were striving, although their campaigns noticeably influenced government policy. The problem of SALT II became the field of the third battle.

Both of the noted trends in the political behavior of the ruling class--the shift to the right in domestic policy and the activization of militarism--have a great influence on the political situation in the United States. In contrast to the spontaneous evolution "to the left" of mass consciousness, which has not yet been cast into distinct organizational and political forms, the shifts in the positions of the ruling class find their most direct reflection in government policy, in the sentiments of a considerable portion of the political elite and in the means of mass information. These shifts are also reflected in the sentiments of the subelite groups of politically active citizens, which play an important role in the functioning of the two-party system. "The intensification of the conservative sentiments among the most active segments of the voters is a significant political fact," write American researchers W. Miller and T. Levitin. "Since the number of people, who have been joining with the ideas of right-wingers, has increased among those voters who most actively express and defend their opinions, this could easily be interpreted as evidence of a general shift in the sentiments of the nation. The shift to the right of a minority of activists in reality is more than offset by the shift to the left among the remainder of the electorate, but the shift to the left occurred among less notable citizens, therefore both politicians and political observers could have easily ignored it."[26]

The militaristic groups are divided in the question of the fate of SALT II into two camps, which can be conditionally designated as conservative and extreme right. The conservatives believe it possible to preserve the principles of the political compromise, on which the American approach to arms limitation has been based so far. This is a continuation of the programs of increasing the U.S. military potential and the search to expand the opportunities to use it in foreign policy, but with the preservation of the mechanism of regulating military relations with the USSR in the form of treaties and agreements on strategic arms limitation. The present U.S. military leadership and the supporters of the military industrial complex in the Senate--S. Nunn, J. Stennis, J. Glenn--hold these positions. As was the case with the SALT 1 agreements, the conservatives demanded of the administration the adoption of new military programs as a condition for support of the Soviet-American documents.

The point of the stand of the extreme right-wingers consists in an attempt to use the need for ratification of SALT II in the U.S. Congress in order to frustrate the Soviet-American strategic dialog, to provoke a serious crisis in the relations between both countries with the aim that such a crisis will result in the political defeat of the advocates of arms control.

The camp of the extreme right-wingers has expanded considerably and has been strengthened organizationally since the last presidential election. The Committee on the Present Danger, the American Security Council and the Coalition for Peace Through Strength, which was formed by it and includes about 200 members of Congress, the right-wing Republican American Conservative Union (300,000 members), the right radical association the Conservative Caucus and a number of other ultraright political action groups form its main detachment.

Within the ranks of the Committee on the Present Danger, which was established in late 1976 primarily to exert pressure on J. Carter's administration, there are only several hundred people, but the majority of them are among the influential members of the ruling elite. There are here several representatives of Wall Street financial groups: Citibank, the Mellons, Dillion, Read, Goldman, Sachs, members of the boards of the major corporations: Allied Chemical, Hewlett-Packard, Caterpillar, Prudential Insurance, former secretaries and deputy secretaries and ambassadors. Such political associations of the elite as the Atlantic Council of the United States, the National Association of Planning, the Pittsburgh Council for International Affairs, the RAND research center, Time, Inc., the diplomatic schools of Fletcher and Johns Hopkins University are represented in the committee.[27]

Whereas the Committee on the Present Danger is gravitating toward the right wing of the Democratic Party, the Coalition for Peace Through Strength has primarily a Republican coloring. Within it, moreover, there are many more retired servicemen and former leaders of the Defense Department. They are, for example, W. Middendorf and T. Reed (in the latest Republican administrations they held the posts of secretaries of the Navy and the Air Force), former chairmen of the Joint Chiefs of Staff Admiral T. Moorer and General L. Lemnitzer, former chiefs of military intelligence Generals D. Graham and J. Keegan.[28]

The veterans of R. Nixon's administration in general are displaying greater activeness in the fight against SALT II: apart from those mentioned above there are former Deputy Secretary of Defense, now Governor of Texas W. Clements, former Chief of Naval Operations Admiral E. Zumwalt, former presidential assistant, and until recently Commander in Chief of NATO Forces General A. Haig, former SALT negotiation members P. Nitze, J. Leman and General Rowney. The extreme right position with respect to SALT II prevails in the ranks of Republican Congress members, which is explained not only by the enormous influence which the ultraconservatives have in this party, but also by considerations of the intraparty struggle.

The adventuristic tactics of the extreme right-wingers in the matter of the ratification of SALT II logically ensues from the no less adventuristic approach to the role of armed force in modern international relations, to the problems of the arms race and the danger of thermonuclear war.

The main and decisive thing, for which the opponents of strategic arms limitation stand up, is the sharp increase by the United States of the use of armed force against national liberation movements and the socialist countries. In his statement at the meeting of the Senate Committee on Foreign Relations during the discussion of the SALT II treaty P. Nitze, who is considered the leading expert in the camp of the opponents of strategic arms limitation, repeatedly emphasized that it is a matter not so much of the fate of this treaty as of the methods of U.S. foreign policy. "I believe," he stated, "that we have been conducting too long a weak and inconsistent foreign policy. One world country after another is venturing to treat the United States coolly, and it is time for the United States to stand up straight and put an end to this."[29] One of the leaders of the Committee on the Present Danger, former Assistant Secretary of State E. Rostow, explains: "We should declare that we consider ourselves to have the right to halt international lawlessness (meaning any actions against imperialism--S. P.), and if this means invading Cuba, Libya or any other country, we will do this."[30]

Realizing that the possibilities of the United States to act as a world policeman have sharply narrowed in recent decades, the extreme right-wingers believe that the situation can be corrected on the condition of the restoration of American military strategic superiority. For example, Hudson Institute theoretician Colin Gray, who is influential in the groups of right-wingers, commenting on the statement of the U.S. Secretary of State about the absurdity of the idea of strategic superiority, writes: "It is pertinent, however, to ask the question, whether such a point of view should be adhered to by a superpower with extremely broad overseas interests, for the defense of which the support of American strategic forces in the form of the use of a limited first strike might be required? I would also like to find out how such an apolitical point of view would influence U.S. conduct in a military contest?..."[31]

The following argument from the propaganda material of the Committee on the Present Danger, which has been widely circulated in right-wing circles, is also significant:

"Our policy of deterrence inevitably goes beyond the protection of the United States from the possibility of a nuclear attack. We should also provide a nuclear guarantee of our interests throughout the world and have the opportunity to defend these interests by diplomacy or the use of conventional arms.... The Committee on the Present Danger opposes the SALT II Treaty, for this treaty... will prevent us from restoring the potential of nuclear deterrence, on which in the end national security depends."[32]

Despite common sense and historical experience, the right-wingers in recent times have been trying again to convince the nation that strategic superiority is not only desirable, but also feasible. "Is it reasonable to seek parity or equality in military competition, if the United States can have a secure superiority in military equipment?" writes C. Gray, who clearly has a soft spot for the style of rhetorical questions. "It is claimed that the revival of American efforts to achieve unmistakable strategic superiority will inevitably step up the arms race. If that is so, it is possible to reply that under the appropriate political leadership the United States can win such a race over many years.... Strategic superiority, which is politically important, can and should be achieved and maintained."[33]

The success of the campaign of the right-wingers for the qualitative increase of the scale and opportunities for the use of force in U.S. foreign policy, as before, directly depends on the effectiveness of the slogan "the Soviet threat." The guileless logic of this trade-off is openly admitted by right-wingers themselves, for instance the same Rostow. "If we agree that the Russians are pursuing an aggressive policy, then... we will have to acknowledge the need for rearmament, the creation of mobile forces, the maintenance of an effective military presence on a world scale, the reestablishment of genuine solidarity with our allies, the strengthening of relations with China, the granting of a free hand to the president in decision making and the removal from him of various restrictions, by means of which Congress has deprived him of political effectiveness."[34]

As is known, J. Carter's administration under pressure from the right is also using the myth of a "Soviet threat" as grounds for its policy of stepping up military preparations. However, at the same time the administration is attempting to preserve the new patterns of Soviet-American relations, which were created in the 1970's, and this contradiction, in the opinion of the extreme right-wingers, is weakening qualitatively the domestic political opportunities to restore militarism.

R. Burt, a specialist in military political problems, notes: "...arguments have been heard, which did not exist during the SALT debates in 1972, for example, that by defeating the new treaty it is possible to arouse in the United States sufficient alarm concerning the change of the strategic balance...."[35] "In trying to convince the nation that the SALT II Treaty strengthens U.S. security," states one of the treaty opponents, J. Dornan, a staff member of the Center of Strategic Studies of the Stanford Research Institute, "the administration will be forced of emphasize... the contribution which the treaty makes to slowing the arms race and improving the relations with the Soviet Union. As a result, a political climate is forming, in which it will be extremely difficult to mobilize the Congress and the public in support of significant changes in American nuclear doctrine and a significant increase of the strategic potential of the United States.... For this reason alone the approval of SALT II is creating new serious diffulties in the way of the formation of an American strategy which meets the requirements of the nuclear age."[36]

In consciously attempting to provoke a serious domestic political and international crisis, the extreme right-wingers are clearly overestimating the possible scale of revival of chauvinist, militaristic sentiments in the American public. In the early 1970's R. Nixon's administration justified its attempts to achieve a military victory in Vietnam by allusions to the danger of a mass gung-ho patriotic protest against the "retreat" of America, but the defeat of the American military clique in Southeast Asia was perceived by Americans from the position of calm realism. The American public did not come under the thumb of the militarists also on the question of the Panama Canal, it prefers to seek the cause of the energy crisis not in the position of the OPEC members, but in the policy of the American oil industry. It is significant that the sober approach of the public to foreign policy is perceptible even through the results of those tendentious public opinion polls, which are being conducted by the SALT opponents themselves. Thus, the results of a poll made on the order of the Committee on the Present Danger in March 1979 revealed, in particular, that Americans consider the conclusion of the SALT II Treaty a more important foreign policy goal than "the strengthening of the ability of NATO to defend Europe from a possible Russian attack" or "the strengthening of ties with communist China." Only 14 percent stated that the voting of certain senators against SALT II will increase the support of these senators by the voters, while 18 percent responded that such a vote would serve for the voters as a stimulus, on the contrary, to prevent the reelection of SALT opponents.[37]

The shift to the right in the sentiments of the American ruling class, being, in particular, a response to the spontaneous, long-term process of the intensification of the democratic oppositional sentiments among the broad masses of society, is explained by representatives of the ruling circles as the aspiration to make society "more controllable." However, as has already happened repeatedly in history, the hardening of the policy of the ruling class, by revealing the reactionary essence of its interests and aspirations, can have the opposite effect and can promote the consolidation of the positions and the activization of progressive political forces.

FOOTNOTES

1. "Political Trends Sourcebook" (Center for Political Studies of the University of Michigan, Ann Arbor. Unpublished), Tables 3.13; 3.15.

2. Ibid., Tables 3.11; 3.48.

3. Ibid., Table 4.3.

4. COMMENTARY, September 1978, p 44.

5. THE GALLUP POLL, 10 August 1978.

6. "Political Trends Sourcebook," Table 3.29.

7. FOREIGN POLICY, Spring 1979, p 79. The results of a Harris survey in 1978 concerning U.S. interference in African affairs attest that the lesson of Vietnam to a considerably extent has been learned by broad strata of the population. Of those surveyed, 71 percent opposed the sending of American troops to the Horn of Africa in support of Somali, 69 percent opposed the sending of troops to help the racist regime in Rhodesia, 76 percent supported the opinion: "As soon as we begin to give military aid and to send advisors to Africa, we will get bogged down there before long just as deeply as in Vietnam" (THE HARRIS SURVEY, 17 April 1978).

8. FOREIGN POLICY, Spring 1979, p 80.

9. WORKING PAPERS FOR A NEW SOCIETY, May/June 1979, p 30.

10. THE HARRIS SURVEY, 21 September 1978.

11. THE GALLUP POLL, 15 October 1978.

12. Ibid. According to the data of Gallup, 75 percent believe that the Federal Government "is spending too much money" (THE GALLUP POLL, 19 July 1978).

13. COMMENTARY, September 1978, p 44.

14. THE GALLUP POLL, 12 October 1978.

15. THE HARRIS SURVEY, 25 March 1976; 8 December 1977.

16. THE HARRIS SURVEY, 14 March 1977; 25 September 1978.

17. Numerous data on this are cited in the unpublished work: S. Lipset and W. Schneider, "The Evaluation of Basic American Institutions With Special Reference to Business," Stanford-Cambridge, pp 94, 95, 129, 137-138, 142-143, 149, 185.

18. THE GALLUP POLL, 17 September 1978.

19. T. Levitin and W. Miller, "Ideological Interpretations of National Elections: Problems in the Analysis of Change," American Political Science Association, 1978, p 47.

20. WORKING PAPERS FOR A NEW SOCIETY, May/June 1979, p 29.

21. L. Silk and D. Vogel, "Ethics and Profit. The Crisis of Confidence in American Business," New York, 1976, pp 65, 75, 76, 80.

22. Ibid., p 76.

23. Ibid., p 47.

24. V. I. Lenin, "Poln. sobr. soch." /Complete Works/, Vol 20, pp 67-68.

25. It is possible to consider as one of the failures of the military industrial complex in the 1970's the fact that the goal set by it in the late 1960's was not achieved: to maintain defense expenditures at the level of 9-10 percent of the GNP, considering this the norm, and to allocated the assets saved by means of the halt of the Vietnam War for the updating of the military potential ("The Military-Industrial Complex and US Foreign Policy," edited by O. Carey, Washington, 1969, p 13). By the late 1970's the level of defense spending had declined to 5 percent of the GNP.

26. T. Levitin and W. Miller, Op. cit., p 9.

27. "Common Sense and the Common Danger," Committee on the Present Danger, November 1976, pp 7-12.

28. HUMAN EVENTS, 21 April 1979.

29. "The SALT II Treaty," Hearings Before the Committee on Foreign Relations, U.S. Senate, 96th Congress, 1st Session, 9, 10, 11, 12 July 1979, Part 1, Washington, 1979, p 506.

30. WASHINGTON QUARTERLY, Winter 1979, p 118.

31. "Nuclear Strategy and National Security," edited by R. Pranger and R. Labie, Washington, 1977, p 281.

32. E. Rostow, "Salt II--A Soft Bargain. A Hard Sell," Committee on the Present Danger, 1978, pp 11, 12, 13, 24.

33. WASHINGTON QUARTERLY, Winter 1979, pp 81-82.

34. Ibid., pp 116-117.

35. FOREIGN AFFAIRS, July 1978, p 769.

36. WASHINGTON QUARTERLY, Winter 1979, p 72.

37. "Public Attitudes on SALT II," Committee on the Present Danger, 15 March 1979, pp 6, 8.

7807
CSO: 1803

INTERNATIONAL LAW AND THE DEVELOPMENT OF DEEP-WATER SEABED RESOURCES: EVOLUTION OF THE U.S. POSITION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79
pp 26-37

/Article by A. A. Sagiryan/

/Text/ The Third UN Conference on the Law of the Sea, which is presently under way, is an important event of international significance of the 1970's. The conference, whose work began in 1973, has been faced in practice with an entire set of questions of the international law of the sea: the establishment of a uniform boundary of territorial waters; the determination of the conditions of the passage of ships through channels which are used for international shipping; the adoption of uniform pollution control standards; the determination of the status of the exclusive economic zone, as well as the status and conditions of the seabed beyond the limits of national jurisdiction and others.

The central problem of the conference is the establishment of the international legal conditions of the development of deep-water seabed resources, first of all ferromanganese concentrates. About 30 metals make up the concentrates, which are scattered on the seabed (primarily on the floor of the Pacific Ocean) in the form of pellets up to 120 cm and more in diameter. Cobalt, nickel, copper and manganese are the most important from a commercial point of view. Even the rough, very conservative estimates--1.5 trillion tons--give an idea of the potential wealth of the ocean floor.[1]

The international law of the sea in effect (the main provisions of which were formulated in the Geneva conventions on the law of the sea of 1958 and 1960) does not regulate in any special way the mining of the mineral resources of the ocean floor beyond the limits of national jurisdiction, since even in the late 1950's it was difficult for foresee the possibility of such mining. However, the rapid development of science and technology in the late 1960's and early 1970's had already created realistic conditions for starting the commercial recovery of the ferromanganese concentrates. The question of establishing an international procedure, which would ensure the access and just use of these resources for all countries, was placed on the agenda.

The Eighth Session of the Third UN Conference on the Law of the Sea ended in August 1979. The overwhelming majority of issues have now been agreed upon. But a number of circumstances are preventing the successful conclusion of the work of the conference.

First of all this concerns the current position of the U.S. Government and Congress on the question of the exploration and development of the mineral deposits of the deep-water regions of the seabed. This position has undergone considerable changes, the essence of which consists in the shift from broad international cooperation in the elaboration of the appropriate procedure to clearly unilateral actions, which are aimed at safeguarding the interests of American mining companies, which are ready to start developing the resources of the seabed. Bills on the unilateral access of American companies to the recovery of ferromanganese concentrates in spite of the efforts of the states at the Third UN Conference on the Law of the Sea, which were aimed at the adoption of mutually acceptable provisions on this question, have been discussed in the 95th and 96th Congresses. The bills enjoy the support of the American Government, which objectively blocks the elaboration of international legal norms on the development of seabed resources and undermines the constructive discussion of the entire set of questions of the international law of the sea.

The Soviet delegation more than once spoke out at the conference against the taking of unilateral steps by states in this area, regarding them as a display of open pressure on the other participants in this international forum. Moreover, as USSR Deputy Minister of Foreign Affairs S. P. Kozyrev, head of the Soviet delegation, stated at the conference, "a unilateral act with respect to the seabed violates the resolution of the UN General Assembly and the basic principles of the international regime of the region of the floor beyond the continental shelf, on which the drafting of a uniform convention on the law of the sea is based."[2]

Formulation of the Problem on an International Scale

The initiative in formulating the question of developing the mineral resources of the seabed on an international scale belonged to the United States. The American ruling circles sought to achieve in the shortest possible time the creation of conditions, which would guarantee its private companies automatic access to the development of the richest resources of the ocean floor.[3]

In the mid-1960's the U.S. Government began an intensive campaign to cultivate public opinion in favor of the creation of such conditions. In May 1966 the 17th Report of the Commission to Study the Organization of Peace was prepared at the White House and sent to the representatives of all the states in the United Nations. It contained recommendations concerning the quickest possible conclusion of an international agreement, in accordance with which the Agency for Marine Resources, which was set up specially at the United Nations, would receive the right of ownership to the mineral resources of the floor of the open sea and its depths beyond the outer limit of the continental shelf, as well as to the living resources beyond the 12-mile zone. This agency, as the authors of the report proposed, should issue licenses for the exploitation of the seabed resources, as well as distribute in conformity with the directives of the UN General Assembly the profit from their use. Here the agency was assigned only coordinating and registration functions.

Moreover, the United States hoped to obtain key positions in this agency. Being the undisputed political leader of the West and the most technically developed country of the capitalist world, the United States counted on the creation in this body of a solid voting majority, which was supported by the developing and developed capitalist countries. In order to consolidate the U.S. positions among the developing countries the report called for the redistribution in favor of the latter of a portion of the revenues from the use of the mineral resources of the seabed.

However, the problem raised by the American Government was much more complicated. At the 22d Session of the UN General Assembly in 1967 A. Pardo, the representative of Malta, introduced the proposal to adopt "a declaration and treaty, which concern the preservation exclusively for peaceful purposes of the bottom of the oceans and seas and its mineral resources, which are under the waters of the open sea beyond the limits of national jurisdiction, and the use of its resources in the interests of mankind." He specifically proposed to proclaim the bottom of the seas and oceans "the common legacy of mankind."[5] In his opinion, the future treaty should include the following principles: the seabed beyond the limits of national jurisdiction cannot be the object of appropriation on the part of states in any form whatsoever; its exploitation should conform to the goals and principles of the UN Charter; it should be carried out in the interests of mankind, while the revenues from it should be used first of all for assisting the developing countries; the region of use is preserved for ever for peaceful purposes. The future treaty, it was emphasized in the document, should contain a provision on the creation of an international body, which will regulate, monitor and carry out the supervision of all activity in the region in conformity with the principles of the treaty.

This document was based on the interests of the developing countries, while the U.S. proposal cited them for the achievement of its own imperialist goals--the seizure of new sources of raw materials. Precisely for this reason the United States, being the initiator of the formulation of the question on an international scale, treated the proposal of Malta extremely cautiously, although outwardly it was greeted with approval. During the discussion of the question at the 22d Session of the UN General Assembly U.S. Representative A. Goldberg said in the First Committee: the United States shares the anxiety of other countries concerning the fact that the use of the mineral resources of the seabed can create a new form of colonial rivalry of states. However, he continued, the question raised by the representative of Malta is very complicated, and it would be imprudent to hurry to solve it. As a first step the American representative proposed to set up a committee to study problems which arose and to elaborate recommendations for the General Assembly.

The following statement of American scholar S. Brown attests to the attitude of the ruling circles to the proposal of A. Pardo: "The concept of common international ownership was used by the United States mainly for justifying the free access to the resources of the bed and their free use by all states." Pardo incorporated a new content in the concept, having suggested that the international association should control the mining of resources through its bodies and should sanction any activity on the seabed.[6]

A special committee to examine the questions raised in the report of the representative of Malta was set up in conformity with Resolution 2340, which was passed by the 22d Session of the UN General Assembly. Later it was transformed into a permanent body, which was named the Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor Beyond the Limits of National Jurisdiction (henceforth as the Committee on the Sea-Bed), which was commissioned to make preparations for the holding of the Third UN Conference on the Law of the Sea.

The discussion of A. Pardo's proposal at the United Nations commenced the formation of two fundamentally different concepts of "the common legacy of mankind," for which the different economic goals of the capitalist countries and the developing states were the basis. There were not sharp differences with respect to the most general principles of the activity of states on the development of deep-water seabed resources (the use of the bed only for peaceful purposes, the repudiation of the unilateral appropriation of sections of the seabed beyond the limits of national jurisdiction, the assignment of a portion of the profit to the developing countries). The unanimous approval in 1970 by the two groups of countries of the Declaration of Principles Concerning the Seabed and Its Mineral Resources Beyond the Limits of National Jurisdiction attests to this.

The problem of the power of the future international organ for the seabed and the question of the access of private companies to the development of the resources of the ocean floor aroused differences.

U.S. monopolistic circles, which are interested in developing the mineral resources of the seabed, fiercely opposed the creation of a strong international body for exercising control over this kind of activity. Suffice it to say that from 1967 to 1970 about 20 bills, which were aimed against the transfer to the international body of control over the recovery of the seabed resources, were submitted to the U.S. Congress.[7] Their authors were the mining companies which had developed the technology of mining ferromanganese concentrates. Insisting on the creation of a body with purely technical powers, they defended the idea that "no supernational international organization can dictate to states a general maritime policy"[8] and that the functions of such a body should be confined merely to the recording of applications for sections of the seabed, the settlement of disputes between developers on questions of their activity in the international region of of the seabed (henceforth, the region), as well as the redistribution of a minimum portion of the revenues from the use of the resources of the region in favor of the least developed countries.

The attitude of the United States toward the "resolution on a moratorium," which was passed by the General Assembly in 1969, merits special attention.[9] The resolution called upon all states to refrain from using the mineral resources of the seabed until the conclusion of the appropriate international agreement. The United States voted against the passage of this resolution, which might, in its opinion, postpone the access of American companies to the resources of the bed for an indefinite time. Eight years later, in May 1977, U.S. Representative E. Richardson, returning to the formula "the common legacy of mankind" and "the resolution on a moratorium," said: "I assure you that the U.S. Government fully supports the concept 'the common legacy of mankind'.... In conformity with our interpretation of international law it by no means follows that the support of the concept 'the common legacy of mankind' places a ban on the development of deep-water seabed resources by our companies until the creation of an international organ on the seabed."[10]

In the United States up until 1970 the elaboration of a consistent position concerning the conditions of the use of the resources of the region was complicated by the lack of a unity of opinion between the interested groups within the country on the question of the boundary between the region and the zone of national jurisdiction--one of the most important questions of the new conditions. In other words, it was a matter of the width of the continental shelf under the jurisdiction of the littoral state. Thus, the Department of Defense and the Department of State favored a "narrow" zone of jurisdiction, while the Department of Commerce and the Department of the Interior favored a "broad" zone of jurisdiction.

On 23 May 1970 U.S. President R. Nixon made a speech on U.S. policy in the matter of the law of the sea, which was the basis for the draft of a convention on the international region of the seabed, which was submitted by the American delegation to the Committee on the Sea-Bed on 3 August of the same year.[11]

This statement in essence became the first foreign policy document, in which an attempt was made to formulate the official U.S. policy on questions of the development of the world ocean. The document bears the mark of a compromise of various departments, first of all the Department of the Interior and the Department of Commerce, on the one hand, and the Department of Defense and the Department of State, on the other.

The Department of the Interior and the Department of Commerce, expressing the interests of the oil companies, supported a "broad" zone of the continental shelf in connection with the fact that the petroleum reserves on the U.S. continental shelf are some of the richest in the world.[12]

The Department of Defense and the Department of State believed that the narrowest band of the continental shelf under the jurisdiction of the littoral state was a more acceptable position for the United States, since this corresponded to the interests of the freedom of navigation, as well as made it possible to build installations and structures of a military nature on the continental shelf of other countries.

The concept of a "trusteeship zone" became the result of the compromise. In R. Nixon's statement it was proposed to declare the territory beyond the 200-m isobath (meaning the distance from the shore to the point where the depth of the water layer reaches 200 m) the international region of the seabed. The resources of the region were proclaimed in the document "the common legacy of mankind." The region was divided into two zone--the "trusteeship zone," which is between the 200-m isobath and the outer limit of the continental uplift, and the international region as such, which embraces the entire floor of the world ocean beyond the limits of the "trusteeship zones."

In the "trusteeship zone" the littoral state was to act as a trustee on behalf of the international association and was endowed with considerable powers. In this way the United States expected to defend the interests of its oil companies with respect to the American continental shelf. According to the American proposal, the trustee state can, in particular, decide at its own discretion, how and to whom to issue licenses for the development of petroleum deposits and whether to issue them at all. It was also proposed to set up an international body, which would sanction and regulate the exploration and use of the seabed resources beyond the continental shelf. The American position on "the resolution on a moritorium" was confirmed in the president's statement: "I do not believe that it would be necessary or desirable to attempt to halt the exploration and use of the mineral deposits of the seabed at a depth of more than 200 m, until negotiations are held."

In the draft of the convention, which was submitted to the Committee on the Sea-Bed, the proposals contained in the president's statement were further concretized. It was drawn up so as to obtain support on the part of the developing countries. In particular, it was stated in it: "The international procedure of using the seabed resources beyond the 200-m isobath should provide for a sufficiently high duty for the right to use the mineral resources, and the collected money should be used for the needs of the international association, particularly for economic assistance to the developing countries."[13]

However, the concept of the "trusteeship zone" was sharply criticized on the part of the representatives of India, Kenya, Peru and the delegations of a number of other developing countries. They emphasized that the area of the zone constitutes 25-30 percent of the total seabed, the main reserves of mineral raw materials, first of all petroleum, are concentrated in it, that such a situation will favor only the developed countries, which are capable of recovering these resources independently. The refusal of the American

Government to obey "the resolution on a moratorium" aroused the sharp indignation of the countries of the "group of 77."

As a result the draft of the convention on the international region of the seabed was rejected and by the middle of 1972 the United States ceased to insist on its discussion. This took the form of consent to the adoption of the concept "economic zone"[14] as a component of the comprehensive settlement of questions of the law of the sea. The new position meant the official repudiation by the U.S. Government of the concept "trusteeship zone," which it had advanced and which was the basis for the draft.[15]

The draft of articles on the littoral economic region of the seabed,[16] which was submitted by the American delegation to the Committee on the Sea-Bed (16 July 1973), is closely connected with the U.S. position with respect to the status of the region. This document attested to the official shift of the United States from the idea of the internationalization of the majority of the floor of the world ocean to the support of the rights of littoral states to the continental shelf with a width of up to 200 miles. The following things had an influence on the elaboration of the American proposal: in 1973 it became clear that the broadening of the zones of littoral resource jurisdiction is inevitable in the future, be it on an agreed international scale or in a unilateral manner;[17] U.S. oil companies were seeking to obtain more than was called for in the 1970 draft, namely to completely exclude the continental shelf of the country from international control; the American Government feared that the extension of jurisdiction to vast littoral regions would lead to the restriction of other types of use of these regions, first of all for military purposes.

Therefore, in the 1973 draft an attempt was made to reduce the discussion of questions of the jurisdiction of the littoral states to the rights only to the mineral resources of the continental shelf. The outer limit of the region was not defined and was left to the discretion of the conference. Here tentative consent was given to its establishment at a distance of 200 miles from the shore.[18] It was proposed to leave unchanged the status of the surface waters, that is, the freedoms of the open sea should be extended to them.

The U.S. document did not achieve its goal: it did not win the developing states over to the idea of limited resource jurisdiction. Rather, it attested to the gradual transition of the United States to acceptance of the concept of a 200-mile economic zone and the complete rejection of its former positions on questions of the international conditions of the use of the resources of the zone. Such a change in policy was explained by the partial readjustment of U.S. foreign policy priorities in this area. Up to 1972 the Department of Defense, which saw in the ficticious internationalization of the majority of the seabed an opportunity for maintaining the mobility of its naval forces, had a dominant influence on the formulation of Washington's maritime policy. Starting in 1972 its influence began to wane as a result of the fact that the Department of State began to direct its attention to a greater extent than before to other groups of interests, especially the interests of the oil companies, which are interested in the richest resources of the U.S. continental shelf.

The Evolution of the U.S. Position at the UN Conference on the Law of the Sea

On the question of the convening of the Third UN Conference on the Law of the Sea the position of the American Government also underwent a certain evolution.

When in early 1970 it became clear that the holding of the conference was inevitable (the adoption by the UN General Assembly of Resolution 2574 A-C, which concerns the study of the question on the possibility of convening a new conference, and the subsequent results of a survey of states), the United States attempted to limit its preparation to the discussion only of yet unsettled and newly arisen questions. "It would be unwarranted to repeat the work of the preceding conferences, which worked out four conventions.... The opinion of the U.S. Government boils down to the fact that the unresolved issues should be studied carefully in the Committee on the Sea-Bed, and then agreements should be concluded on them. The number of questions submitted for consideration should have reasonable limits."[19] Even with the appearance of a large number of problems (such as: the boundaries of territorial waters, the conditions of international channels, fishing in coastal waters, the development of the conditions of the use of the mineral resources of deep-water seabed regions, the protection of the marine environment) the U.S. Government believed that some questions could be "resolved in the appropriate manner in isolation from more general problems of the law of the sea."[20]

American official circles did not adhere to this position for long. Soon they came to the conclusion that the comprehensive, "package" discussion of questions of the law of the sea provides certain advantages for the United States, which are manifested in the possibility of the interconnection of the most important questions instead of the labor-consuming processes of drawing up individual agreements on fishing, channels, the seabed and so on.

Such an approach made it possible, the leadership of the country believed, to defend various interests more effectively and to obtain concessions on the problems most important from the point of view of long-term U.S. interests in the world ocean in exchange for concessions on less significant questions.

All this had the result that by late 1971 the United States had become a "loyal" supporter of a comprehensive treaty.[21]

The work of the conference is taking place in three main committees. The First Committee is dealing with questions of the conditions of the use of the mineral resources of the seabed. The Eighth Session of the conference was held in 1979, but the principles worked out by the committee with respect to the status and conditions of the use of the deep-water regions of the world ocean, as before, have been rejected by the American delegation.

The developing countries, which were united in the "group of 77" (to which more than 110 states now belong), went considerably farther than the initiatives of A. Pardo and R. Nixon, having proposed the discussion of the question of setting up within the international organ for the seabed an Enterprise for the Independent Extraction of Sea-Bed Resources.

Such a turn of events did not suit the United States, which saw in the creation of an international enterprise a serious obstacle to its goals.

After the publication of the unofficial uniform text for negotiations (Geneva, 1975--Third Session) the differences between the developing and developed capitalist countries remained, but further unofficial negotiations prompted the United States by the summer of 1975 to agree to the possibility of creating an international enterprise upon observance of a number of conditions: the retention by all states, their physical and legal persons of the right to the direct use of seabed resources; the settlement of conflicts connected with activity on the bed; the guarantee of capital investments; the reflection in the organ of the real correlation of the interests of the participating states.[22] It was specifically proposed that the international organ would reserve for itself half of the section for which an application was submitted and would put the other half at the disposal of the applicant.

The American delegation opposed the investment of the organ with the right to control the prices for the metals obtained from the bed and the specification of the growth rate of production. This could not but arouse objections on the part of the developing countries--major exporters of manganese, copper, nickel and cobalt, since their economy is seriously dependent on currency receipts from the sale of the mentioned metals.

In 1976 at the spring (fourth) session of the conference the Revised Uniform Text for Negotiations was adopted. The developing countries achieved the inclusion in the test of clauses which make it possible to control the volume of extraction of ferromanganese pellets from the seabed.[23] Along with the clauses on the restriction of extraction the indicated document also contained other items which did not satisfy the United States, particularly on the access to the mineral resources of the seabed and their use, the security of capital investments, the amounts of the deductions from the profit and the procedure of decision making in the organ.

Nevertheless the revised text reflected the principle of a "parallel" system of the use of the resources of the seabed,[24] which in principle suited the U.S. delegation, since the possibilities for its further defense of the interests of private American companies were maintained.

At the Sixth Session of the conference in New York in 1977 a new document was drawn up--the Unofficial Consolidated Text for Negotiations, in which the clauses concerning the powers of the international organ were considerably strengthened (the access of companies to the resources of the bed depended on the transfer of technology to the organ, considerable restrictions were established on the increase of offshore mining). These clauses, in the opinion of the United States, in practice reduced the "parallel" system to naught.

The results of the Sixth Session became a direct pretext for official Washington to start reassessing the role and importance of the Third UN Conference on the Law of the Sea from the standpoint of the long-term economic and political interests of the United States in the world ocean. Inasmuch as in six years of work of the conference the American delegation had not been able to achieve a solution satisfactory to the United States of the problem of the regime of the seabed, the administration began to seek new ways to achieve the set goals.

Such a change was explained by the ever increased pressure on the government on the part of the monopolies, which were interested in the offshore mining of ferromanganese concentrates.

Since 1971 a large number of bills aimed at legalizing the activity of private American companies in the seabed have been submitted to the Congress.[25] The monopolies in the person of the American Congress of the Mining Industry through its powerful lobby in the Senate and House of Representatives sought to ensure the defense of their interests; they were the real creators of the introduced bills. The pressure of the mining companies on the government increased as the stage of the commercial development of seabed resources was approached. So far they have invested more than $200 million in the development of the appropriate technology and in the performance of exploratory operations. According to the statements of representatives of the companies, the start of commerical operation is possible in 1983.

The United States has considerable interests in the world ocean, and they, of course, do not reduce only to the interests of the mining companies. In particular, this concerns the safeguarding of the most important freedoms of shipping, including the rights of passage through international channels, fishing and the performance of scientific research. Therefore, official American circles have repeatedly spoken in favor of concluding a comprehensive convention on the law of the sea. The Department of Defense, in particular, insisted on this position, believing that the existence of a general agreement, be it even not a very good one, is more advantageous to the United States than the lack of such an agreement in general. On 17 May 1977, during the discussion of the problem of mining the mineral resources of the seabed before the Subcommittee on International Organizations of the Committee on International Relations of the House of Representatives, E. Richardson, head of the U.S. delegation at the conference, said: "...the most complicated problem consists not so much in obtaining an agreement in one area by concessions in another, but rather in whether the treaty as a whole, even with the presence in it of clauses not fully satisfactory to the United States, will conform to the general interests of the United States from the standpoint of the creation of a stable international legal mechanism."[26]

In light of what has been said above, the negative reaction of the Department of State to all the attempts of Congress up to the end of 1977 to legalize the activity of American companies in the region is understandable. Even after the Sixth Session of 1977 the American Government as before has taken the position of the desirability of successfully concluding the conference.

At the same time the government support of the bills on the access of private companies to the seabed resources, which were submitted to the American Congress for consideration, became a new feature in the policy of the United States after the Sixth Session. Whereas earlier the representatives of the government, including the Department of State, proposed not to give the bills a chance, alluding that they might interfere with the international convention, after the Sixth Session they became open supporters of the most active discussion of the question in Congress.

The advantages of such a situation consist, in their opinion, in the following. First, the passage of temporary legislation would make it possible to face other countries with a fait accompli, that is, the start of the development of the resources of the bed by American companies, and would thereby ensure their interests in the event that the provisions of the future convention are unacceptable. Second, the discussion of bills in Congress will exert the appropriate pressure on the developing countries and will lead to a softening of the irreconcilable position held by some of them, since in Washington it is believed that it is better for the United States to have an international organ in any form whatsoever than to lose it entirely as a result of a breakdown of the conference.

Having in its hands a "strong trump card"--the discussion in Congress of the question of access of American companies to the resources of the bed, the American delegation once again set forth its categorical conditions for signing a convention, namely:

the United States recognizes the "parallel" system of use, which will allow states, their companies, as well as the international enterprise reasonable access to deep-water seabed resources, and rejects the idea of the high concentration of powers in the hands of an international organ;

the United States recognizes some restrictions on mining in the region, but not to the extent that they significantly restrict the supply of resources necessary to the world economy;

the United States believes that the council should be monitored so that such factors as production, capital investments and consumption would be equally taken into account, and would not take as a basis the "oversimplified ideological platform: one nation--one vote."[27]

After emphasizing the importance of the indicated provisions for the United States, E. Richardson, head of the American delegation, further stated:

"If the final text does not recognize the mentioned items, the United States will not become a party to the treaty.... If the conference fails, the ideas of 'the common legacy of mankind' will also fail."[28]

Among the bills submitted to Congress the document brought up in the House of Representatives in 1977 by Congressmen J. Murphy and J. Breau (HR 3350) merits special attention. This was the first bill which successfully passed through one of the houses of Congress. Moreover, the period of its discussion (1977-1978) coincided with the period of the formation of Washington's new approach to the conference. After consideration by the appropriate committees the bill was approved by the House of Representatives on 26 July 1978. All other bills on this question were rejected by Congress at one stage or another. As a result, the Murphy-Breau bill is at present the only basis for Congressional passage of the corresponding legislation.

Its main provisions reduce to the following:

the law will be of a temporary nature until an international convention is concluded and enters into force. The demands of the United States for solid minerals, the great dependence on foreign sources of raw materials and the aspiration to change the existing situation by mining some of them from the floor of the world ocean, as well as the willingness of mining companies to begin the commercial mining of these resources are indicated among the reasons which prompted the passage of the law;

the bill speaks about U.S. adherence to the concept of "the common legacy of mankind," but emphasizes the need to define it in the international convention;

the passage of the temporary legislation is made directly dependent in the bill on the fact of the lack of an international settlement of the problem;

the central provision of the bill is the approach to the use of the resources of the ocean floor as one of the freedoms of the open sea. In the bill reference is made to the 1958 Convention on the Continental Shelf, in which the legal concept of the shelf is defined as "the surface and the mineral resources of the seabed of underwater regions, which are adjacent to the shore, but are outside the zone of the territorial sea, to a depth of 200 m or beyond this point to the place where the depth of the covering waters allow the development of the natural resources of these regions." Following the logic of this current standard of the present international law of the sea, and namely its second part, the bill advances the assumption that the current international law of the sea does not prohibit the exploration and working of the resources of the deep-water regions of the seabed. Here the American document ignores a number of resolutions of the UN General Assembly, particularly the "resolution on a moratorium" on the working of the mineral resources of the ocean floor until the conclusion of the Convention on the Law of the Sea (2574D).

This approach substantiates, in the opinion of American official circles, the legitimacy of the demands advanced by the United States. As a result, in the document there are no government guarantees of the capital investments in the event that the United States backs the international convention. Instead of government guarantees of capital investments the bill provides for U.S. participation in the international agreement only on the condition that there is no detriment to the capital invested in the mining of resources of the bed before the convention or a special agreement on this question enters into force. This is the grandfather clause, without whose inclusion in the bill, according to the statement of the American representative, "the convention will not even be submitted for Senate ratification."[29]

In Chapter I it is stated that the only goal of the law is to regulate the activity of American companies on the seabed. Therefore, the United States is not claiming sovereignty over or exclusive rights to any section of the regions of the seabed.

In the bill there is a special chapter which concerns states which act on the basis of reciprocity. Its essence consists in the recognition for the citizens of other states of preferences to some sections of the seabed on the condition of counterrecognition. The possibility of associations of industrially developed countries of a limited composition, which arose in the United States back in 1975 as an alternative to a universal treaty on the law of the see, is visible in this chapter.

Finally, the bill calls for the creation of a "special revenue sharing fund," the assets from which will be allocated to the developing countries in case the convention enters into force during a period of up to 10 years after the passage of the law. The precise figure of these deductions is established in the document. It is 3.75 percent of the value of the metals mined from the seabed.

The discussion of the bill HR 3350 in Congress was not concluded in 1978. According to established procedure, this bill is being discussed anew in the new, 96th Congress during 1979-1980.

Although the main provisions of the document are very precisely balanced and formulated so as to evoke a minimum of criticism on the part of other states (thus, in the version submitted to the Senate the amendments and remarks made by the Department of State are taken into account), the numerous statements of U.S. representatives to the effect that the passage of temporary legislation cannot complicate the discussion of this problem at the conference, are unfounded. The Soviet delegation, as well as the delegations of many other countries, while speaking at the latest sessions of the conference, repeatedly noted that such steps at a moment when the work of the conference is entering the concluding stage, do not conform with the constructive discussion of the remaining unresolved questions and exert open pressure on the negotiation participants.

Thus, the U.S. approach to international legal questions of the development of deep-water seabed resources in the second half of the 1970's underwent substantial changes: Washington shifted from active support of the international regulation of the development of the deep-water mineral resources of the seabed to actual rejection of the cooperation of states in developing mutually acceptable provisions on this question. In this connection it is possible to single out two stages in U.S. policy. The first, which covers 1966-1976, is characterized by the aspiration of the ruling circles to ensure the interests of American mining companies by international legal means. This explained the advancement by the Government of the United States of various compromise plans.

However, the steadfast aspiration of the developing countries to defend their economic interests gradually led the U.S. Government to take a harder, patently one-sided position. Doubting the possibilities for reflecting the most important interests of its companies in the future convention, the American Government since 1977 has shifted to the acutal sabotaging of the work of the conference, having begun the preparation of a bill concerning the one-sided access of national companies to the seabed resources, which the UN General Assembly has proclaimed "the common legacy of mankind."

The turn in U.S. policy was the consequence of changed international conditions. At the same time it did not change the main goals of the ruling circles of the country, which have always sought to defend the interests of their monopolies by any accessible means.

FOOTNOTES

1. See for more detail V. D. Pisarev, "The Mineral Resources in the Ocean," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 11, 1975; also: B. I. Gorizontov, "The World Ocean--Economics, Ecology, Cooperation," MEZHDUNARODNAYA ZHIZN', No 11, 1978.

2. PRAVDA, 1 September 1978.

3. The ruling circles of the United States immediately displayed great interest in the development of ferromanganese concentrates. The United States imports a large portion of metals contained in the concentrates: manganese--95 percent, nickel--74 percent, cobalt--98 percent and copper--18 percent. At the same time the fact that a considerable share of U.S. imports come from developing countries (Gabon, South Africa, Zaire)--countries with "unstable domestic political conditions"--caused great anxiety in the country.

   At the same time, according to the estimates of scholars, the commercial development of the concentrates by American companies could meet by 1985 85 percent of U.S. needs for manganese and nickel, 6 percent for copper and four times the needs for cobalt, and this in turn could partially reduce the overall deficit of the balance of payments of the country, since the United States annually spends $1.5 billion on imports of nickel, cobalt, copper and manganese. Under these conditions the establishment of actual U.S. control over the mining of ferromanganese concentrates was for the state monopoly circles of the country one of the most important tasks of foreign policy activity in the sphere of international maritime relations.

4. "New Dimensions for the United Nations," The 17th Report of the Commission to Study the Organization of Peace, New York, 1966.

5. UN Document A/6695 (XXII).

6. "Regimes for the Ocean, Outer Space and Weather," Washington, 1977, p 74.

7. "Toward a National Ocean Policy, 1976 and Beyond," Washington, 1976, p 151.

8. N. Padelford, "Public Policy for the Seas," Cambridge (Massachusetts), 1970.

9. UN Document 2574D (XXIV), 1969.

10. "Deep Seabed Minerals: Resources, Diplomacy and Strategic Interest," Prepared for the Subcommittee on International Organizations of the Committee on International Relations, House of Representatives, Washington, 1978, p 86.

11. WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol 6, No 21, 25 May 1970, pp 667-678; UN Document A/AC, 138/29, pp 10-12.

12. The potential reserves of petroleum on the U.S. continental shelf are estimated at 1 billion tons (see V. D. Pisarev, "SShA i Mirovoy okean" /The United States and the World Ocean/, Moscow, 1977, p 113).

13. WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol 6, No 21, 25 May 1970, pp 677-678. A similar provision is contained in Article 5 of the draft of the convention, which was submitted by the U.S. delegation to the Committee on the Sea-Bed.

14. See for more detail Ye. Ye. Yakovin, "On the Eve of the Session of the UN Conference on the Law of the Sea," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 5, 1977.

15. L. Juda, "Ocean Space Rights, Developing US Policy," New York, 1975, p 123.

16. "Report of the Committee on the Peaceful Uses of the Sea-Bed and Ocean Floor Beyond the Limits of National Jurisdiction," New York, 1973 (A/9021, Vol III, pp 75-77).

17. The adoption of the declaration of the countries of the Caribbean Basin at Santo Domingo and the documents of the regional seminar of African countries in Addis Ababa attested to this ("General Assembly Official Records," 27th Session, Supplement 27, A/8721, pp 70-76).

18. UN Document A/9021, pp 75-77.

19. UN DOcument A/7925, p 3.

20. Ibid.

21. On 17 March 1971 R. Stevenson, U.S. representative to the Committee on the Sea-Bed, stated: the American delegation believes that "the committee has been made responsible for the comprehensive study of the law of the sea."

22. G. Mangrone, "Marine Policy for America. The United States at Sea," Toronto, 1977, p 201.

23. "The Third UN Conference on the Law of the Sea. Official Reports," Vol V, publication of the United Nations, New York, 1976, p 194.

24. The principle of a "parallel" system was formulated by the U.S. delegation and was supported by the USSR; its essence consisted in a compromise between the ideas of the free access of states and private companies to the seabed resources and the exclusive right of the international organ to their development.

25. See S 2801 (92d Congress, 1971), HR 13904 (92d Congress, 1972); HR 9 (93d Congress, 1973); S 1134 (93d Congress, 1973); HR 1233 (93d Congress, 1974); S 2878 (93d Congress, 1974); S 713 (94th Congress, 1976); HR 3350 (95th Congress, 1977); HR 3652 (95th Congress, 1977); S 2053 (95th Congress, 1977) and so on.

26. "Deep Seabed Mining and the Law of the Sea," Hearings Before the Subcommittee on International Organizations of the Committee on International Relations, House of Representatives, Washington, 17 and 18 May 1977.

27. According to the Unofficial Consolidate Text, the international organ on the seabed consists of an assembly (to which all the states participating in the convention belong), a council, in which all the most important interest groups should be represented, a secretariat and an international tribunal.

28. THE DEPARTMENT OF STATE BULLETIN, June 1978 (No 2015), pp 47-49.

29. BUSINESS WEEK, 9 October 1978, p 83.

7807
CSO: 1803

ATTEMPTS TO SOLVE THE ECOLOGICAL CRISIS AND THEIR CONSEQUENCES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79
pp 38-49

/Article by V. Yu. Katasonov/

/Text/ The aggravated environmental crisis in the United States forced American ruling circles in the early 1970's to pass a number of ecology laws, which are often called in the American press air and water conservation programs. Some aspects of this problem have already been covered on the pages of the Soviet press, particular SSHA - EKONOMIKA, POLITIKA, IDEOLOGIYA.[1]

Although a comparatively short time has passed since the introduction of these laws, their influence on a number of aspects of the life of the country has become quite appreciable. In 1970 the expenditures on pollution control equaled, according to official estimates, $10.4 billion. In 1978 they were already $47.6 billion (in current prices). The proportion of these expenditures in the gross national product (GNP) increased from 1 percent to more than 2 percent. In the relative level of expenditures on environmental protection the United States surpasses the majority of capitalist countries, being slightly inferior only to Japan. In the absolute scale of financing, environmental programs in the United States today have surpassed the government programs on road construction, health care, housing and urban construction and so on.

The American assessments of the socio-economic consequences of environmental programs are very contradictory. This is explained not only by the objective complexity of the issue, but also by the fact that the interests of certain political and economic forces or others are visible behind many "scientific" assessments. The author sets as his task to identify on the basis of a critical analysis of American sources the influence of the nature conservation measures of the 1970's on economic growth in the United States and the status of individual classes and social groups.[2]

Economic Growth Trends

The influence of environmental programs on the rate of economic growth is one of the most complicated socio-economic problems of the environment. The thorough consideration of the effect of the programs on various aspects of the process of capitalist reproduction (accumulation, labor productivity, the sectorial and regional structure of the economy, the level of employment and prices and so on) is necessary in order to evaluate this influence, and not only in the short-term future, but first of all in the long-term future.

In the American press the opinion is often expressed that the measures on controlling environmental pollution are slowing U.S. economic growth. Many of these conclusions do not stand up to criticism: they are based on the results of empirical studies of individual (as a rule, the most "dirty") sectors, works and enterprises, which are then mechanically extrapolated onto the entire American economy. In the numerous "studies" of this type there can be seen the aspiration of their authors to prove that environmental protection programs do harm to the entire society and thereby to make easier for the monopolies the campaign for the lowering of environmental standards.

At the same time a number of serious studies (on the scale of the entire economy of the country) have been made in the United States on the assessment of the influence of ecology programs on economic growth--these studies were performed using econometric methods. The works of the research firm Chase Econometric are the best known in this area. In 1972 it made a forecast of the influence of these programs on the GNP as the most general, from its point of view, indicator of economic growth and on several other very important general economic indicators of the United States for 1973-1980. The methodology of the calculations reduced to the determination of "base" indicators, that is, indicators calculated without regard for nature conservation expenditures, and the actual indicators, that is, with allowance made for them; the difference also gave quantitatively specific values of the effect of the programs on certain indicators or others. Here the firm proceeded from the fact that the rates of change of the GNP are derived first of all from the dynamics of the investments in fixed production capital. In this connection the probable influence of the programs on such a process as production accumulation was first of all calculated in the form of the difference between the actual and "base" levels of production investments (see Table 1, billions of dollars; 1958 prices).

As is evident from the cited data, in 1973-1977 the influence of the programs on production accumulation was estimated as increasing. In its forecast (1972) Chase Econometric proceeded first of all from the assumption that during that period domestic market conditions would be weak and the growth rate of investments in fixed production capital would slow. Under these conditions the stepping up of nature conservation activity in the country, in the opinion of the researchers, should have promoted to some extent an improvement of business conditions. It was meant first of all that the increase of the demand for equipment, materials and services, which are necessary for environmental protection measures, would multiply the investments, employment and revenues in a number of sectors of the American economy.[3] Real life confirmed this forecast: during the period of the economic crisis of 1973-1975 the nature conservation measures to some extent offset the decline of investment activity in the country; in particular, the President's Council on Environmental Quality indicated this in one of its reports.

Table 1

Years	Actual Level	"Base" Level	Difference
1973	96.5	91.4	5.1
1974	102.0	95.6	6.4
1975	106.2	97.4	8.8
1976	111.2	103.5	7.7
1977	114.5	111.4	3.1
1978	116.8	118.2	-1.4
1979	121.7	124.7	-3.0
1980	129.0	131.3	-2.3

For 1978-1980 Chase Econometric predicted a restrictive influence of the ecology programs on the investment process. The forecast was based first of all on the fact that during this period the domestic market conditions in the country would be strong; this would cause a shortage of surplus capital; the expenditures on environmental protection would increase its scarcity and thereby limit the scale of production accumulation.

Dispensing with the assessments of the influence of the programs on production accumulations, Chase Econometric made a calculation of their influence on the GNP. Here the possibility of an influence of an additional price increase in the country, which was caused by the fulfillment of the programs, was also taken into account. The results of this calculation are cited in Table 2 (billions of dollars; 1958 prices):

Table 2

Years	Actual Level of GNP	"Base" Level of GNP	Difference
1973	842.1	835.6	6.5
1974	864.4	861.1	3.3
1975	893.9	888.9	5.0
1976	938.1	936.6	1.5
1977	985.1	990.9	-5.8
1978	1023.5	1037.3	-13.8
1979	1060.2	1077.8	-17.6
1980	1107.5	1122.4	-14.9

The losses in the GNP during the second half of the 1970's are the result not only of some restriction of the growth of production accumulation, but also of the rise in prices, which had accelerated by then, for the products of a number of "dirty" sectors. Owing to the predominance in them of products with a strong dependence of the demand on the level of prices, lower growth rates or even a decline in production became the result of their increase.

In the next decade, in the opinion of experts of Chase Econometric, some factors and circumstances will increase the influence of environmental programs on economic growth, others will weaken it. Among the factors of the first kind there is first of all the further increase of the scarcity already observed today of surplus capital owing to the increase of the demand for financial capital for solving urgent socio-economic problems, for example, the implementation of the multibillion dollar energy program of the government. Under these conditions the diversion of capital for nature conservation measures in a number of instances might appreciably restrict the production of certain commodities and services or others.[4]

Among the factors of the decrease of the negative effect of environmental programs on economic growth it is possible to mention the end in the 1970's of the "boom" of nature conservation investments as a result of the provision of the majority of already operating enterprises with expensive pollution control equipment. It is assumed that after this the dynamics of the investments in environmental protection will draw level with the growth rate of production capital investments, for the corresponding equipment will be installed only at new production capacities.

On the whole during the first half of the 1980's the slight negative influence of the programs on economic growth, which is now being observed, according to the forecasts of Chase Econometric, will remain (in 1983, for example, the economic losses are estimated at 2.2 percent of the GNP); subsequently its gradually disappearance is presumed.

The assessment of the influence of the ecology programs on U.S. economic growth, which was made by well-known American economy E. Denison, is of some interest. In order to obtain this estimate he calculated two series of "input - output" coefficients for 1967-1975: the first is a series of actual coefficients (with allowance made for nature conservation expenditures), the second is a series of "base" coefficients (disregarding them). The calculations showed that whereas in 1967 there was practically no difference between the actual and the "base" "input - output" coefficients, later the actual coefficients were lower than the "base" coefficients in 1969 by approximately 0.1 percent, in 1970 by 0.2 percent, in 1971 by 0.3 percent, in 1972 by 0.4 percent, in 1973 by 0.5 percent, in 1974 by 0.7 percent and in 1975 by 1 percent.

As is evident, by the mid-1970's the degree of negative influence of environmental programs on production efficiency had increased. On this basis the scholar concluded that these programs were one of the important causes of the absolute decline in labor productivity and the level of production as a whole, which was observed during the 1973-1975 economic crisis. It appears, however, that it is hardly possible to assign the ecology programs to the rank of the main causes of the decline in labor productivity, for, according to the calculations of E. Denison himself, they "cut" its growth rate on the average by only one-tenth. Moreover, it is impossible to agree with his assertion that these programs aggravated the decline of production during the same crisis: above it was noted that the expenditures on pollution control equipment to some extent offset the decrease of the composite social demand and thereby moderated the decline of production.

The assessments of Chase Econometric, E. Denison and several others like them are at present the most serious studies of the economic consequences of nature conservation activity in the United States. Nevertheless, they suffer from a number of shortcomings which considerably distort the true picture of this influence.

The most obvious of these shortcomings is the theoretical premise concerning the "nonproductive" nature of the expenditures on environmental protection. It is based on the fact that such investments at each given capitalist enterprise increase the individual production costs, without increasing at the same time the sales and profits of the company. This assertion rouses objection for at least two reasons.

/First/ /in boldface/, it does not conform to the real state of affairs at many enterprises of American industry. It is not being taken into account that in their ecological policy a number of companies and even sectors are directing their attention not toward the installation of "nonproductive" purification equipment, but toward the modernization of technological processes, which is carried out along with this and which reduces the wasteful nature of production and at the same time increases its efficiency. According to the data of the U.S. Department of Commerce, the capital investments in the ecological redesigning of production processes in American industry were equal in 1973 to $1,169,000,000, in 1974 to $1,238,000,000 and in 1978 to $1,247,000,000. A considerable share of these expenditures, which constitute about 20 percent of all private investments in environmental protection, were in reality "productive," since they promoted an increase of production efficiency and the output of products.

/Second/ /in boldface/--and this is the main thing--bourgeois scholars place narrow, private capitalist criteria at the basis of the division of expenditures into "productive" and "nonproductive." Nature conservation expenditures might not increase the profit of some businessmen, but at the same time do decrease the socio-economic costs of the ecological crisis on the scale of the entire country; in other words, for society these are quite productive expenditures. Back in the late 1960's the direct material damage from the pollution of U.S. water and air resources, according to very incomplete estimates, was $30 billion a year, or approximately 3 percent of the GNP. This damage represents the losses of both living labor (as a result of the increase of incidence of illness and the decrease of the fitness of the population for work) and embodied labor (in connection with the destruction of physical assets). If the capital investments in fixed production capital are called upon to increase the gross product and the national wealth of the country, nature conservation investments are allocated to preserve them, and in this sense they also ensure economic growth.

The calculations of the economic efficiency of the program of protection of the air in the United States, which were published in the early 1970's by the Environmental Protection Agency, can serve as an illustration. In the absence of a program the annual material losses from air pollution would have increased from $16 billion in 1970 to $25 billion in 1977; the fulfillment of the program, according to the calculations, should have reduced the annual losses to $12 billion in 1977, that is, its economic impact would have been $13 billion.

It is likely that the overall economic impact from the expenditures on controlling air pollution is substantially higher. The point is that in the cited calculations, as in a number of other studies, such a peculiarity of nature conservation investments as compared with production investments as the long period of recovery is not taken into account. As a result, the beneficial influence of environmental programs on economic growth might show with a great delay.

American economist S. Rose correctly concentrates attention on the fact that "in the longer run pollution control measures most likely increase the real GNP." Meanwhile, in the United States attempts have so far not been made to evaluate the /long-term/ /in boldface/ influence of nature conservation measures on the economy of the country. A. Kneese, a well-known specialist in the economics of the use of nature, believes that the failure to adequately consider the many positive aspects of the influence of the programs on the economy leads to the erroneous notion that even the present level of expenditures on environmental protection is "excessive." At the same time he believes that in the United States an increase of these expenditures to the level of 5 percent of the GNP is feasible, since within this range the economic gain will exceed the expenditures.

Some American researchers address attention to the fact that the underestimation of the positive influence of environmental programs on the socioeconomic development of the country stems if only in part from the imperfection of such general economic indicators as the GNP and the national income. Indeed, they take into account only the total of the goods and services sold through the market, but do not reflect the nonmarket aspects of the life of people, which to a greater and greater extent are influencing its overall level. The very changes in the condition of water, land and air resources even in the long-range future cannot always be reflected in the corresponding general economic indicators (it is impossible, for example, to give an economic estimate of the sufferings of people from environmental pollution). In this connection proposals on the restructuring of the traditional economic indicators and the shift to those which would take into account many qualitative, particularly ecological, aspects of the life of society, have begun to be advanced more and more often in western economic literature.

For example, in 1972 American economists J. Tobin and W. Nordhaus developed such an indicator as "the measure of economic welfare"; New York University Professor A. Sametz proposed the indicator "the welfare GNP." American researchers correctly believe that the shift to new indicators of the successfulness of economic activity would reveal all the artificiality of the formulation of the question "the environment or economic growth." However, the introduction in practice or if only the experimental calculation of new indicators of economic growth in the United States so far has not been carried out both by virtue of the great technical complexity of this problem and due to the lack of interest of the monopolistic bourgeoisie in the revision of the economic indicators which are traditional for bourgeois science and completely meet its private capitalist needs.

The Positions of Private Business

One feature of U.S. environmental programs consists in the fact that officially the responsibility for their implementation is placed mainly on private companies; this is quite natural, since the private sector is also the main source of environmental pollution in the country. Let us recall that under public pressure the U.S. Government was forced to proclaim the principle "whoever pollutes, pays," which rules out the covering of the nature conservation expenditures of private companies at government expense.[5] For example, in 1977 the U.S. private sector spent more than $20 billion on pollution control in the form of capital and operating expenses.

But for several years now the monopolies and their defenders have been raising a fuss over the "excessive burdensomeness" of these expenses. Indeed, environmental programs may have a certain negative influence on the financial and commercial positions of private companies. However, the degree and nature of this influence are different and depend on a number of factors. Among them are the technological peculiarities of certain sectors or works, which determine the amounts and composition of their production waste; the size of the companies and their individual enterprises; the age of the enterprises; government policy with respect to individual groups of business.

Of course, the private companies of the "dirty" sectors--the electric power, pulp and paper, petroleum refining and chemical industries, ferrous and nonferrous metallurgy--experience the greatest influence of environmental programs. In 1976 they accounted for four-fifths of the capital investments in environmental protection. The nature conservation investments occupy a conspicuous place in the total amounts of capital investments in these sectors (see Table 3).

In the United States many studies of the problem of the influence of nature conservation expenditures on individual sectors of the economy have already been made. Thus, the well-known consulting firm Arthur D. Little made such a study in one of the "dirtiest" sectors--the copper smelting industry. According to its estimates, by 1985 the increase of production costs per pound of copper may be $0.12 as compared with 1977 (an increase of approximately 15 percent). In the absence of foreign competition on the American domestic market, that is, if the copper smelting companies get the government to implement protectionist measures, the prices for copper under the influence of environmental protection expenditures will increase by $0.045 per pound, that is, by approximately 5.5 percent. In this case a decrease of the demand for copper will occur, and its production will decline from 2.40 million tons to 2.28 million tons. The firm has predicted a decline of both the rate of return and, to an even greater extent, the amount of the profit in the copper smelting industry. On the condition of the free importation of copper the American companies will be able to raise the prices for their products by only $0.01 per pount. Consequently, they will have to cover the bulk of the environmental protection costs (more than 90 percent) through their own profits. In this case, according to the estimates of Arthur D. Little, the rate of return in the copper smelting industry will decline to 12 percent in 1977 and 7 percent in 1985.

Table 3

Investments of Private Companies in Equipment for Controlling Environmental Pollution in 1976

	millions of dollars	percent of total amount of capital investments
Total.	6762	5.6
Including		
Ferrous metallurgy	446	15.1
Nonferrous metallurgy.	405	18.9
Electrical machine building. . . .	148	5.6
General machine building	80	1.6
Transport machine building	125	3.4
Production of construction materials.	103	6.1
Food industry.	175	4.5
Textile industry	37	4.4
Pulp and paper industry.	511	14.7
Chemical industry.	765	11.4
Petroleum refining industry. . . .	1275	10.6
Industrial rubber industry	37	3.4
Mining industry.	86	2.2
Electric power industry.	1990	10.5

However, the position of one company or another is influenced to an even greater extent not by its sectorial affiliation, but by its size. The practice of implementing environmental programs in the United States shows that the expenditures on environmental protection do not substantially influence the indicators of the activity of /major/ /in boldface/ firms (the amount of investments, the turnovers, the rate of return and so on), even if they operate in the "dirtiest" sectors. The point is that the monopolies have special opportunities to take advantage of those methods and sources of financing of environmental protection, which enable them to keep their profits intact.

/First/ /in boldface/, they try to get partial coverage of their environmental protection expenditures through the government, notwithstanding the proclaimed principle "whoever pollutes, pays." The government grants direct and concealed subsidies and benefits to private companies which invest capital in environmental protection. The most important of them are the following: an accelerated (five-year) depreciation schedule for purification equipment, which enables companies to reduce the amounts of the profits which are subject to the federal corporation tax; a 10-percent tax credit on new investments in environmental protection, which was introduced in 1978; permission by the Federal Government to float special "industrial development bonds" for financing environmental protection in the private sector and the exemption of the revenues from these bonds from federal taxes; various tax breaks, which are granted by states and municipalities (breaks on property taxes, sales taxes and so on); lower rates for private companies for their use of municipal water purification plants for the treatment of their sewage. In 1972 the amount of federal, state and local tax breaks to private companies, which made investments in environmental protection, were, according to estimates of the Department of Commerce, $1.5 billion, in 1974 $2.2 billion and in 1977 nearly $4 billion. The hidden gains from lower rates for municipal water treatment are many hundreds of millions of dollars more.

/Second/ /in boldface/, the additional profits of companies as a result of the ecological redesigning of works and the increase of the overall profitability owing to this are an important source for covering the conservation expenditures in some sectors. Thus, the pulp and paper company Great Lakes Paper purchased from Arco Envirotech special equipment which yields an annual saving of $4 million in connection with lower water consumption, the reuse of chemicals and the burning of waste products. According to the very incomplete data published by the Department of Commerce, the value of the materials, which were saved or recovered as a result of conservation measures in industry, in 1977 was $961 million, that is, about 10 percent of the capital investments in environmental protection in industry. In a number of sectors this indicator is considerably higher. A survey made by the Environmental Protection Agency back in the early 1970's showed that of the 17 sectors of the American economy 3 basically covered their expenditures on reducing discharges into the air by deriving valuable substances and energy from wastes.

/Third/ /in boldface/, in most sectors of the U.S. economy the main means of financing the expenditures on environmental protection is the increase of the prices for their products. According to the calculations of Chase Econometric, American industry includes in the prices of the final product up to 75 percent of its pollution control expenditures. For some sectors this indicator fluctuates greatly and depends, in addition to other factors, on the degree of their monopolization. In the auto industry, for example, it is estimated to be considerably higher than the average and is 84-98 percent. And, what is more, no problems with the financing of environmental protection arise for the monopolies, when they are working for the government market: they are able without particular difficulty to include their environmental protection costs in the government purchase prices. Thus, at one defense plant in the state of Maryland the radical redesigning of production was carried out in order to ensure the meeting of new environmental standards. After this the prices for the rocket fuel produced here were increased manyfold.

Certain groups of large and, to some extent, intermediate business under the conditions of the implementation of the environmental programs were able not only to maintain, but even to strengthen their positions in the competitive struggle. These are the firms which quickly changed over to the production of "environmental" equipment and services--companies for the production of equipment and special chemicals for controlling environmental pollution, consulting and designing firms, companies for the installation and construction of purification plants. In the United States there are about 1,500 firms alone which produce purification equipment. Among them are such well-known monopolies as Monsanto, du Pont de Nemours, Rockwell International, Aluminum Corporation of America. Some specialized companies--American Air Filter, Envirotech, Mikropul, Research-Cottrell and others--were able to rise on the crest of the "ecology wave" and join the group of big business. According to the data of Arthur D. Little, the production volume of equipment for controlling environmental pollution in 1976 was $1.2 billion (including for controlling water pollution--$590 million, air pollution--$460 million, special control and measuring equipment--$200 million). By 1980, according to the same estimates, the production of such equipment will be $2.5 billion and by 1985--$5.0 billion.

Everything seems to indicate that in the new, "environmental" sector the rate of return is higher than the average, since the demand for the goods and services, which are necessary for environmental protection, over the past years has been extremely high--this was conductive to the inflation of prices. Thus, during 1967-1974 the construction cost of water treatment facilities, according to the calculations of the Environmental Protection Agency, increased by 78 percent (with a very negligible increase of their technical level), while the deflator of prices according to the GNP increased by 40 percent. But during 1975 alone, as the magazine COMMERCE AMERICA wrote, the construction cost of such installations jumped in one stroke by 20 percent, which provided high profits to specialized construction companies.

Some researchers believe that not only the companies producing "environmental" products can get rich on the environmental programs. Indeed, with the adoption of these programs some monopolies began to use the ecological factor for the further inflation of prices and the extortion of additional subsidies from the government.

Whereas the financial situation of the monopolies is not being undermined by environmental programs, for small business they are quite burdensome, and at times even disastrous. /First/ /in boldface/, the use of equipment for controlling environmental pollution at small enterprises is unprofitable. The result is a two- to threefold gap in the costs for such measures for large and small enterprises. The gap is increasing in connection with the fact that major corporations have opportunities to allocate large amounts of capital to research and the development of effective environmental equipment. Practice indicates, in particular, that unique no-waste and low-waste technology, which yields an economic impact, is developed and adopted primarily by major corporations; small firms are forced to direct their attention almost exclusively to the standard purification equipment which is offered on the market. /Second/ /in boldface/, the unmonopolized sector has very limited opportunities to manipulate prices in order to pass on conservation costs to consumers. Moreover, a substantial portion of the conservation costs of big business is passed on to small firms, which have production and technological contacts with major corporations, through the mechanism of monopoly prices for intermediate products. According to the data of the CONGRESSIONAL RECORD, the overall increase of production costs in all sectors of the American economy under the influence of the "ecological" increase of prices is $100 billion a year, and small business accounts for a relatively larger share of the increase of costs than the share which corresponds to its place in the U.S. economy. /Third/ /in boldface/, small business has less access to direct and concealed government subsidies. For example, it has considerably fewer opportunities to resort to the concessionary financing of environmental protection by means of "industrial development bonds."

The accelerated depreciation schedule for purification equipment, which makes it possible to reduce the taxable amounts of the profits, also does not give any advantage to firms with a low profitability and unprofitable firms. The government prefers to grant special subsidies (for example, for research and development) to major companies which can assimilate them more effectively. Even by the admission of the Council on Environmental Quality, the assistance for environmental protection measures in the private sector "is being granted not to those who need it the most."

As the environmental programs are launched, the representatives of small and to some extent also intermediate business are seeking more and more persistently changes in their clearly promonopoly orientation; in particular, they are demanding an increase of special financial assistance to the unmonopolized sector. A special program of loans to small companies for environmental protection began to operate in 1974 under the aegis of the Environmental Protection Agency and the Small Business Administration. But by 1976 less than $20 million had been allocated along these lines--a pitiful amount which is not capable of protecting small business against the negative consequences of the environmental programs.

At the same time for the monopolies and their ideologists the environmental protection programs are becoming another argument in favor of accelerating the process of concentrating capital and production on the pretext that the existence of a large number of small and very small enterprises decreases the overall effectiveness of environmental protection measures.

The Influence on Workers

The main burden of the financing of environmental protection programs in the end is placed on the workers through the mechanism of taxes and the increase of prices for consumer goods and services. In the United States this is admitted even officially.

The annual report of the Council on Environmental Quality for 1973 contained estimates, according to which in 1976 the average American family had to spend nearly 2 percent of its annual budget on conservation measures. It was presumed that one-fourth of the amount would be withdrawn in the form of taxes and nearly one-half as a result of the increase of prices for consumer goods; here the additional expenditures on the purchase and operation of a "clean" car would constitute the main share. The estimate was probably too low, since, according to later data of the council, the "standard" American family of four spent $280 in 1976 on the purchase and operation of a "clean" car alone (which is equipped with an exhaust filter).

The increase of the price of goods and services under the influence of environmental programs is quite appreciable even against the general background of the intensive increase of prices in the United States. Thus, according to the estimates of Chase Econometric, during 1970-1983 the overall increase of the retail price index in the country under the influence of the ecological factor will equal 4.7 percent, that is, the average annual increase of prices should be 0.4 percent. In some years the "ecological" increase of prices is substantially higher. Thus, in 1978 it was estimated at 0.75 percent, or approximately one-tenth of the total increase in prices.

The social inequality in the practice of implementing environmental programs is increasing in connection with the fact--and even bourgeois researchers admit this--that the passing on of conservation expenses to the workers is of a regressive nature. In other words, the lower the income of a family is, the relatively greater the portion of it is, which is withdrawn through the mechanism of taxes and prices and is allocated for these measures. Thus, according to the data of the Council on Environmental Quality, in the early 1970's for a family with an annual income of $5,000 the average share of the payments for sewage treatment was about 0.3 percent of the income, while for a family with an annual income of $20,000 it was less than 0.1 percent. In the middle of the decade, according to the estimates of American researcher R. Dorfman, $800 million dollars a year were allocated for environmental protection programs from the income of people whom official U.S. statistics assign to the category of the poor.

Here the deductions from the budgets of workers for environmental protection are often not offset by the advantages for them from the improvement of its quality. Even in those regions of the country, where the condition of the water, air and land resources is improving, businessmen are hastening to take advantage of this: the prices for the services of the recreation business, the prices of parcels of land and buildings and so on are increasing. Thus, the improvement of the water quality in the Williamette River (Oregon) led to an increase of the prices for homes in the adjacent area by 25-100 percent.

The U.S. Government is not blocking the practice of passing these costs on to consumers, it is even justifying and encouraging it. Thus, while president, R. Nixon in his message to Congress on the environment in 1973 indicated that the inclusion of the costs on its protection in the prices makes it possible through the market mechanism to regulate the production of "clean" and "dirty" goods by gradually squeezing the latter out of the market. The demagogic nature of statements of that kind is obvious: for if this financing in fact were to be carried out to the detriment of the profits of the corporations, such a procedure would urge them on even more to change over to "clean" types of production. This simple truth is clear today to broad strata of the public. R. Nader, who heads, as is known, the public consumer protection movement in the United States, rightly believes that the expenditures on pollution control equipment should be covered at the expense of the profits of corporations.

The environmental programs are also having an influence on the level and pattern of employment. In this matter the bourgeois press concentrates attention on the fact that such programs are becoming an important factor of the aggravation of unemployment in the country. Thus, the U.S. National Water Commission published in 1976 a report, in which it noted that the complete enforcement of the 1972 law on pollution control might increase the number of unemployed in the country by 1.5 million. The reasons for a certain negative influence of the programs on employment are connected, first, with the closing of enterprises which for some reasons or others are not able to meet the environmental standards; second, with the reduction or even the halt of the production of ecologically dangerous goods (for example, leaded gas or detergents containing phosphorus); third, with the fact that the monopolies are more and more often moving "dirty" works to other countries, thereby "exporting" work places.

In order to moderate the negative influence of environmental measures on employment in "critical" sectors and regions, that is, where unemployment is especially high, it was proposed long ago in the United States to increase the granting of special subsidies. At present the Federal Government is subsidizing environmental protection measures in economically "depressed" regions for the purpose of stimulating employment or at least not allowing it to decrease. However, the amount of these subsidies is pitiful: so far only several tens of millions of dollars of them have been granted. Here the major corporations, although they are least vulnerable to the environmental programs, often state that in case of the imposition of strict environmental standards they will be required to close their enterprises, and this could seriously aggravate unemployment in a number of regions. It is impossible to regard such statements as anything by the most blatant blackmail.

At the same time it should be taken into account that the environmental programs are notable for a considerable "labor intensiveness" (especially the construction of water purification facilities, the collection and treatment of solid wastes), and, consequently, are creating additional work places in the economy. Back in the 1930's F. Roosevelt in his public works programs assigned an important place to conservation measures (the planting of forest belts, anti-erosion works, the construction of sewage treatment systems and so on), regarding them as one of means of abating unemployment.

At present a number of estimates of the influence of environmental protection programs on employment have been prepared in the United States. Thus, the Bureau of the Census of the Department of Commerce in 1976 published estimated data, according to which in 1973 225,000 people were studying environmental protection questions in federal, state and local organs of government (only the people, for whom activity in this area was the basic activity, were taken into account). The total number of those engaged in implementing environmental programs in the governmental and private sectors of the economy in the second half of the 1970's exceeded 1 million. Chase Econometric calculated the "net effect" of the influence of such programs on employment as the difference between the actual level of employment and the "base" level (disregarding the influence of conservation expenditures). In 1976 this difference was, according to the estimates of the firm, 400,000 work places.

American researchers note that among the national programs in the United States the environmental programs are among the most "labor-consuming" and therefore yield an especially high impact of the stimulation of employment by contrast to defense programs, which create the least demand for manpower. Thus, according to the estimates of the Department of Labor, each billion dollars spent on environmental programs creates work for approximately 67,000 people; each billion dollars put into the program to develop the B-1 bomber could have provided work to only 22,000 people. This is another convincing argument in favor of shifting appropriations from military programs to peaceful, socio-economic and, in this case, environmental programs.

The analysis of the first years of the implementation of environmental protection programs in the United States shows that they are an example of the typically state monopoly method of solving the socio-economic problems facing bourgeois society, of solving them first of all at the expense of the broad strata of workers, as well as the unmonopolized sector of the economy. These programs are capable of overcoming only to a small degree the consequences of the essentially anti-environmental activity of the monopolies, which are destructive for society. At the same time they have a number of new, "secondary" economic and social consequences, which are aggravating even more the contradictions of state monopoly capitalism.

FOOTNOTES

1. See the surveys of V. I. Sokolov, "Corporations and the Environment," No 11, 1974, and V. Yu. Katasonov, "State Monopoly Financing of

Environmental Protection," No 12, 1974, and the article of B. I. Maklyarskiy, "The Ecological Crisis and State Monopoly Capitalism," No 5, 1976--editorial note.

2. In writing the article the following basic sources were used: "The Budget of the U.S. Government. Fiscal Year 1980," Washington, 1979; CONGRESSIONAL RECORD, 1978-1979; "Environmental Quality," The Fourth, Fifth, Sixth, Seventh, Eighth Annual Reports of the Council on Environmental Quality, Washington, 1973-1977; "The Effects of Pollution Abatement on International Trade," The First, Second, Third Reports of the Secretary of Commerce, U.S. Department of Commerce, Washington, 1973-1975; "Air and Water Purification and Pollution Control Equipment. Global Market Survey," U.S. Department of Commerce, Washington, 1976; "OECD. Economic Implications of Pollution Control. A General Assessment," Paris, 1974; SURVEY OF CURRENT BUSINESS, 1977-1979; A. Kneese, "Economics and the Environment," New York, 1977; "Ecology and Economics. Controlling Pollution in the 70s," edited by M. Goldman, Englewood Cliffs (New Jersey), 1972.

3. Some American economists are of the opinion that the expenditures on environmental protection have a higher multiplying effect. Thus, Dartmouth College Professor (J. Queen) believes that the expenditures on environmental protection cause in related sectors investments which ensure an employment which is three- to fourfold greater than in the very sphere of environmental protection.

4. At present, for example, the pulp and paper industry, which is not fully managing the supply of the country with its products, is in a difficult financial situation. The demand for capital for introducing additional production capacities of the sector in the mid-1970's was estimated at $9 billion. Taking into account that another $8 billion are necessary for conservation measures, the total amount of the deficit of capital is $17 billion. The underproduction of pulp and paper due to the diversion of capital assets for conservation measures, according to estimates, by 1984 may be 8 billion tons.

5. Also an important argument in favor of the official approval of this principle was the fact that budget financing would "corrupt" companies, by decreasing or even totally eliminating the stimuli to seek effective ways to reduce harmful emissions; in the end, as production increased, a greater and greater share of the government budget would have to be diverted for environmental protection in the private sector.

7807
CSO: 1803

WASHINGTON-BEIJING: 'QUASI-ALLIES'?

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79
pp 50-55

/Article by V. B. Lukin/

/Text/ When the PRC was formed 30 years ago, U.S. ruling circles preferred what they regarded as their strategic interests to evident political realities. In accordance with these interests the newly formed state was declared a territory "temporarily occupied by communists," with respect to which it was fitting to implement a policy of "containment and isolation." The implementation of this fallacious doctrine did a great deal to make the United States slip into the impassable quagmire of Indochina aggression, at the height of which statements definitely smacking of racism about China as the source of the "yellow peril" were repeatedly heard at a high official level.

Now, to all appearances, the situation has changed radically. At last the PRC has been recognized--on 1 January 1979--and has, moreover, been numbered among the ranks of friends of the United States. Government representatives lavish all kinds of compliments on the Beijing leadership. But an important question remains: To what extent, even with the present policy line, are American strategic interests (in the present administration's interpretation) linked with objective political reality?

Of course, a few months of normal diplomatic relations between the United States and the PRC are not a long enough time to draw final, definite conclusions as to their prospects. However, in view of the fact that the period in question constitutes a direct, straightforward continuation of the entire process of American-Chinese rapprochement, the main trends can certainly be traced.

First and foremost there is the line of progressive development of bilateral relations, which is attested by the noticeably more frequent contacts in practically all spheres--political, economic, scientific, technical, cultural and sports. American journalists have calculated that in the past year an average of 30 Chinese delegations of various kinds have visited the

United States each month. An equally large number of visitors have gone in the other direction. The high point of these intensive exchanges was the visit to the United States by Deng Xiaoping, vice premier of the PRC State Council, in February and the visit to the PRC by U.S. Vice President W. Mondale in August. The intensity of contacts is four times greater than last year's level and indicates the desire of both sides to overcome the delay of the mid-1970's and to achieve a prolonged period of progressive development of relations.

The central event in the sphere of economic contacts between the two countries was the 7 July signing of an agreement on U.S.-PRC trade relations. It provides for the mutual granting of most-favored-nation status in trade, concrete measures to settle mutual financial claims (implementing that agreement, on 1 October the U.S. Government announced the unfreezing of PRC assets in American banks) and the extension to the PRC of a number of privileges arising from recognition of its status as a "developing country" (Article 2, Item 3). On a practical level it is expected that in 1979 the trade turnover between the two countries will reach $1.1 billion. It is planned to increase it to $5 billion by 1985.

However, it is very difficult to separate the strictly bilateral aspects of present-day American-Chinese relations from those aspects expressly oriented toward third countries, not least of all the Soviet Union. From the first the rapprochement between the two countries took place within the framework of "triangular diplomacy," in other words, one of its most important motives was to exert more or less camouflaged pressure on our country according to the classical models of the "balance of forces" doctrine.

In the first months after J. Carter's administration came to power the impression was created that it sought to play out in practice the formulas of that political doctrine to a lesser extent than its Republican predecessors. However, as early as the visit to the PRC by Z. Brzezinski, the President's national security adviser, in May 1978 it became clear that the line of playing the "China card" had not only persisted, but had acquired new features highly dangerous to the cause of peace and international stability.

Whereas earlier for all the zigzags and waverings one could still perceive a trend toward parallel improvements in relations with both the PRC and the Soviet Union, now a trend toward pushing through the idea of rapid and energetic rapprochement with Beijing simultaneously with a straining of relations with the Soviet Union has been observed in certain political circles with access to the shaping of U.S. Government policy.

This trend was manifested very clearly during W. Mondale's August visit to Beijing. The factual side of this visit is well known: An agreement was signed on American assistance in the development of the hydroelectric power industry in the PRC; the United States took on a commitment to grant China loans through the Export-Import Bank to the extent of at least $2 billion; an agreement was reached on visits in 1980 by Hua Quofeng to the United States and by J. Carter to the PRC.

All these accords and agreements, which had been thoroughly prepared in advance, hardly required 12 hours of talks between the American vice president, on the one hand, and top Chinese officials, on the other. But the participants in these talks themselves admitted that the conversation went far beyond the framework of examining bilateral relations. It was announced that in Beijing the U.S. vice president discussed problems of international security, the SALT II Treaty, the U.S. strategic and military situation, as well as Soviet-American relations.

Thus W. Mondale's talks in the PRC were centered on questions usually included by American strategists in the concept of "triangular diplomacy," in other words, the search for common or at least similar interests in the sphere of opposition to the policy of the Soviet Union and the socialist community.

It is true that official comments stress in every way the differences in the sides' positions, above all with respect to the SALT II Treaty. W. Mondale stated at the talks that the administration intended to actively promote the treaty's passage through Congress. Beijing's position on this issue is well known and remains unchanged, despite the fact that it is in striking contradiction to the sentiments of the broadest strata of the world public and the vast majority of world states. In this respect the Beijing leaders reached considerably greater mutual understanding with Senator H. Jackson, who left Beijing after a 3-week stay in the PRC literally on the eve of W. Mondale's arrival there. Another aspect of the talks, which certain observers interpret as a difference of approach, was W. Mondale's statement that the United States does not seek to conclude a military alliance with the PRC and does not intend to implement broad cooperation in the military sphere

At the same time in recent months the Beijing leaders have made no secret of their intentions to build up their country's military potential with the active assistance of imperialist states, including the United States. Moreover, they have declared unequivocally that their main aim is to isolate the Soviet Union and to use any means to achieve this goal, including allied relations with the United States and its main imperialist partners.

However, a closer look at the situation which has arisen makes it possible to draw the conclusion that on this last point the differences in approaches between Beijing and Washington are not so very great, or at least are tending to diminish. In any case after his visit to the PRC, according to THE NEW YORK TIMES, the American vice president stated: "Chinese-American contacts have acquired maturity and sincerity, which makes it possible to compare them with relations between the United States and its European allies." As to questions of military cooperation, here contacts have already been developed to a certain extent in the so-called "semimilitary sphere," with deliveries of technology and information which could be used in both military and nonmilitary areas (and which are, of course, being used by Beijing in military areas).

What is the basis of the present new stage in American-Chinese rapprochement, which some observers, perhaps with a certain degree of excessive sensationalism, call "quasi-allied relations"?

In his speech at Beijing University, which was transmitted on television all over China--an unprecedented even in PRC history--W. Mondale said: "Firm bilateral relations accord with our strategic interests. Thanks to these relations our two countries can promote the development of the world community in the direction we seek."

If the American vice president's words are assessed as an expression of official U.S. policy, it must be concluded that both Washington and Beijing seek to build approximately the same type of "world community." How might such a "community" look in practice?

For Beijing, as far as one can judge from official documents, this question is extremely clear. At the 11th CCP Congress the so-called "Three World" concept was placed at the foundation of Chinese global strategy. In explaining it, Chinese sources are fond of citing the remark allegedly made by the late Mao Xedong in February 1974 to the leader of a developing country. This dictum says: "In my opinion the United States and the Soviet Union form the first world. Japan, Europe and Canada--the middle group--belong to the second world. We are the third world.... The Third World has a huge population. With the exception of Japan, all of Asia, as well as all of Africa and all of Latin America belong to the Third World." According to the theses expounded by Hua Quofeng at the 11th CCP Congress, it is necessary to unite the "third" and "second" worlds around China so as to join with one of the "superpowers," namely the United States, to "settle accounts" with the Soviet Union, to which Beijing has now transferred the title of "most dangerous superpower," which for a long time was held by the United States. Here, with an astounding frankness for Chinese leaders, the CCP chairman stated at the congress that as soon as the "USSR problem" has been resolved, the time will come for the United States--"enemy No 2."

Thus, the United States is invited to enter into an anti-Soviet alliance with Beijing in order to prepare the ground for its own elimination and for the creation of a "world community" under the sole hegemony of the Chinese chauvinists.

In recent months the Beijing leadership, pressing as hard as possible on the pedal of tactical rapprochement with the United States and other capitalist countries, has preferred not to advertise the "strategic aspect" of its global foreign policy program. On the contrary, the emphasis is put on "pragmatism," "an approach to world problems in common with Western countries," and so forth. However, nothing has happened to make us think that the Beijing leaders have made any substantial changes in their ideas on the future "world community."

It is not surprising that for all the diversity of opinions and approaches to foreign policy, which exists in the United States, only a few politicians, blinded by anti-Sovietism, are prepared to aline themselves with Chinese strategic concepts. Inside the Carter Administration, as THE WASHINGTON POST reports, a "fierce battle is under way" over the "China question." One grouping sees its main task in confirming Beijing more and more in its anti-Soviet positions at the cost of the greatest concessions to it, despite China's "exotic strategy." Strange as it may seem, for this grouping the Soviet-Chinese talks which began in Moscow in September served as another pretext for pressure in favor of forming "quasi-allied relations" with the PRC. These circles often themselves provoke a strain in USSR-U.S. relations on some invented pretext, and then make use of that strain to bring out the "China card" again. Thus, at the height of the recent propaganda fuss over Cuba the forthcoming visit to the PRC of U.S. Secretary of Defense H. Brown in early 1980 was announced.

The members of the second group believe, not without reason, that to seek unilateral concessions from the Soviet Union by pressing as hard as possible on the "China lever" is completely unrealistic. Without denying the need in certain cases to make use of the contradictions between the United States' opponents in the world arena, at the same time they do not lose sight of the fact that the main U.S. strategic interest and task, at least as proclaimed in Washington, is to prevent a world war and, hence, to devote priority attention to further efforts to step up the process of relaxing international tension.

W. Mondale, explaining the American concept of the future "world community" in Beijing, spoke of his country's intention "to promote the creation of a world which would respect diversity and welcome constructive changes." There is no doubt that these fine words have nothing in common with the strategic program which the Beijing leadership is offering the world as a whole and its new friend, the United States. So there is a dilemma: Either these words are only routine rhetoric, and Washington, together with Beijing, seeks to create a "world community" in which such hegemonist acts as the unsuccessful operation "to teach Vietnam a lesson" in February-March 1979 would be a normal phenomenon, or the United States is striving not only in word, but in deed to insure a further improvement in the international situation, in which case the American leaders' words on the similarity between U.S. and PRC strategic aspirations are, to put it mildly, a considerable exaggeration.

One frequently proclaimed official U.S. strategic interest is to limit the arms race. This interest was embodied in practice in the SALT I agreements, the SALT II Treaty and a number of other important agreements. It has already been mentioned that in this respect American strategic interests also diverge from Beijing's, which are based on the thesis that until China creates its own powerful strategic potential there can be no question of its participation in the process of talks on limiting the arms race.

Obviously, the boundary of the 1970's and 1980's is a critical period, when the United States will have to find a practical way out of the real contradiction between its policy of rapprochement with the PRC and the objective and vital need of all mankind, including the American people, to curb the arms race. The specific features of the forthcoming SALT III talks are such that constructive cooperation between all nuclear powers becomes very urgent and vitally important. In certain circumstances Washington could make a positive contribution to the development of events in that direction. However, will it want to do so, at the risk of arousing the displeasure of its "Beijing friends"? Which will prove stronger: the sensitivity to pressure from Beijing, which is so characteristic of the present administration, or concern for the really important strategic aspects of mankind's present and future?

In the course of the Chinese-American talks which took place during W. Mondale's visit and on other occasions it has been stressed that the United States and the PRC have important common or parallel interests in Asia and the Pacific. Specifically, the American vice president declared his agreement with Beijing that the existence of People's Kampuchea is "unacceptable." The United States has apparently received a further invitation from Beijing to step up its expansionist activity in that part of the world, since W. Mondale, on leaving PRC territory and going to Hong Kong, stated on board the aircraft carrier "Midway": "Let nobody make any mistake, the United States will remain a Pacific power; our Asian alliances promote regional stability and we are strengthening them.... Our relations with China promote world stability and we are developing them." A concrete explanation followed these general remarks: "American military might in this part of the world will be maintained, moreover, we are strengthening the 7th Fleet."

However, the question of the extent to which American-Chinese cooperation in Asia is really of a strategic, long-term nature remains open. Cases have occurred in history where people have been so blinded by their own propaganda that it has become the impetus for real policy. Perhaps something of the kind is now taking place with American policy in Asia, which is dictated by those who are making a fuss over the "Soviet military threat" in that part of the world.

However, in the long run a clash is taking place in Asia between the interests of American capitalism and Chinese expansionism (here the very "long-term" "Japanese factor" must also be taken into account). It is hard to believe in the possibility of the protracted harmonious coexistence of the aforementioned "partners" in a zone which each of them regards as its own preferential sphere of influence. Here, too, the similarity of strategic interests is more than doubtful.

The present euphoric period in relations between Washington and Beijing is nothing new. The world public has already witnessed such sentiments in the 1970's. Every such period has been succeeded by a relatively protracted stage of very difficult relations fraught with serious latent contradictions.

The identification of this objective "undulatory" reality by no means implies that anyone has an interest in the exacerbation of American-Chinese relations. The cause of peace and detente can only gain if these relations develop on a healthy, constructive basis. It is not normalization itself which is dangerous to the cause of peace, but those "strategic abnormalities" which accompany it and the orientation which is attached to that normalization.

7807
CSO: 1803

'UNDIPLOMATIC' RESIGNATION AND ITS ECHOES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 55-58

/Article by I. A. Geyevskiy/

/Text/ The resignation of U.S. Representative to the United Nations Andrew Young produced an unusually strong response in the United States itself and outside it.

The force of this echo was caused not only by the fact that the events immediately preceding the resignation went beyond the framework of normal diplomatic practice (the tailing on U.S. territory of a high-ranking American official with the rank of a cabinet member, which was organized by Israeli intelligence, the unprecedented demarche of Tel Aviv concerning the meeting of this diplomat with the permanent representative of the Palestine Liberation Organization, Zehdi Labib Terzi), but also by the fact that the resignation of A. Young was closely connected with many important aspects of both the foreign and domestic policy of Washington.

The resignation of A. Young was not so unexpected. His stock on the political stock market of Washington had declined long ago. In the capital his services in conducting the U.S. foreign policy line on the African continent had been recognized, but at the same time his critics believed that the overall result of the diplomat's activity (from the point of view of the interests of American imperialism) was rather of a negative nature. His interview last year with the French newspaper LE MONDE, in which at the height of the campaign in "defense of human rights," which has been launched by Washington, he declared publicly that in the United States there are hundreds, perhaps thousands of political prisoners, aroused particular indignation in the corridors of power.

At that time, however, they hesitated to show Young the door. The desire to avoid a sweeping political scandal gained the upper hand. However, the diplomat became more and more "uncontrollable." It reached the point where he struck the most sensitive nerve of U.S. foreign policy--Washington's attitude toward the Palestinian issue, the most vulnerable point in the unsound and generally unrealistic policy of the United States in the Near East. The essence of the matter lies in Washington's denial of the inalienable right of the Arab people of Palestine to self-determination and the creation of a sovereign state, in the complete support of the aggressive policy of Israel. For the benefit of the Tel Aviv expansionists Washington repudiates contacts with the Palestine Liberation Organization, which is recognized by more than 100 UN member countries.

True, in attempting to create the appearance of some "balance" of the essentially anti-Arab policy of the United States, in Washington they have begun to hint at the willingness to change attitudes toward the Palestinian problem in a "positive" direction. However, Andrew Young's meeting with the PLO representative was enough for Tel Aviv and the Zionist lobby in the United States to raise a furious fuss. The diplomat was invited to resign, and Washington hastened to declare that it would not agree to contacts with the PLO and that as before it was against the creation of an independent Palestinian state.

The world public understood these actions clearly: Washington was again showing its intension to continue to pursue a policy which was in irreconcilable conflict with UN decisions on the Near East. In the words of the well-known commentator Joseph Harsch, Andrew Young had exposed the double game of American diplomacy in the Near East, where "the official (more precisely, the declared--I. G.) policy was an 'impartial' policy (of maneuvering) between the Arabs and Israel in the Near East, while the current (that is, the real) policy was pro-Israeli." The U.S. representative to the United Nations compromised this game, this "double standard," for which he paid, the commentator believes.

The pro-Israeli aspect of Washington's policy, which was manifested in the firing of the high-ranking American diplomat, aroused numerous critical responses in the United States. The firing of A. Young evoked an especially sharp reaction in the black community.

It is known that 92 percent of the black voters who took part in the 1976 presidential elections voted for J. Carter. The new president decided to pay off the pre-election promissory notes first of all by symbolic actions: some black figures received positions in the government machinery. One of them was A. Young, whose appointment, in the opinion of the White House, was called upon to strengthen the relations of the President with the black population of the country (incidentally, the successor of this figure to the position of UN representative was again a black American).

It is not surprising that the resignation of A. Young evoked sharp criticism on the part of such prominent representatives of the black community as the Black Caucus, Washington Mayor Marion Barry or black public figure Jesse Jackson, who is well known in the United States, and many others. "In black quarters," declared Congressman Parren Mitchell, "the opinion prevails that the Israeli Government took a hand in the destruction of the black man. To the question, who did this, the people respond: Israel."

Undoubtedly, the White House action intensifed among the broad masses of black Americans the dissatisfaction with President J. Carter. This dissatisfaction is the result of the overall results of administration policy with respect to the black population. Thus, back in December 1978 a delegation of black leaders headed by Vernon Jordan, director of the National Urban League, declared after meeting with the President its "profound disappointment" with his anti-inflation plans. Other aspects of the economic policy of the government also evoked no less discontent. The black population of the United States is experiencing greater and greater burdens as a result of the decline in wages, the increase of unemployment, the cutting of federal expenditures on social programs, in which the black population is especially interested. It remains to add Washington's attitude toward the fate of many black political prisoners.

"Blacks are dissatisfied with much of what Carter has done," declared Benjamin Hooks, director of the largest black organization--the National Association for the Advancement of Colored People. NEW YORK TIMES MAGAZINE noted: "Disenchantment with Carter's action is widespread among blacks." In the opinion of many observers, if during the next election the current President is not able to attain the unanimous support of blacks, as in 1976, this may affect the overall results of the voting. By the firing of A. Young, THE NEW YORK DAILY NEWS writes, "the President has complicated even more his relations with an important sector of Democratic voters."

The reaction of the black community to the resignation of A. Young should also be regarded in the context of the increased activeness of the black community in foreign policy matters. In recent times, in addition to interest in Africa, it has begun to show more and more anxiety about the situation in the Near East. THE NEW YORK TIMES wrote: "Andrew Young symbolized a new level of participation of blacks in the political life of the country, and this was for them an object of pride. To a significant extent this feeling of pride was explained by the fact that Young was a prominent champion of racial justice in Africa at a moment when American blacks were demanding more and more insistently their right to express their own foreign policy views and to see to their implementation--just as other ethnic groups did long ago. Therefore it is quite understandable that blacks are furious. It is just as natural for them to treat the Palestinian refugees with the same feeling and sympathy as they treat other unfortunates."

WASHINGTON POST commentator Carl Rowan also noted that this forced resignation created what had not existed before, namely: blacks in American and many whites are insistently demanding talks with the PLO and a U.S. policy which would be "just with respect to the Arabs." This aspiration of the black community to play a more active role in matters of U.S. policy in the Near East was manifested in the trip of a delegation of black leaders to Lebanon in September of this year. This group consisted of Congressman Walter Fauntroy, Director of the Southern Christian Leadership Conference Joseph Lowery and other prominent figures. An ABC television correspondent reported from Lebanon: "The meetings with simple Lebanese and their families, victims of Israeli raids, are convincing the black leaders more and more of the justness of the cause of the Palestinians and of the fact that the PLO is indeed their legal representative."

Finally, it should not be forgotten that the differences of the former American representative to the United Nations with Washington's official policy line were by no means confined to the Palestinian question. They covered a wide range of cardinal international problems. On resigning, in his last lengthy interview A. Young declared that he did not agree with the policy being pursued by the government with respect to Vietnam (emphasizing here that the United States should immediately establish diplomatic relations with that country), did not agree with American policy with respect to Cuba (in his opinion, Washington should remove the restrictions on trade with it), did not agree with the plans of the government to increase defense expenditures and to develop the MX missile system; he would not dispute the claims of the critics of Washington that it is the United States which bears the main blame for the flight of nearly 1 million refugees from Southeast Asia, since nothing other than the bombing raids by American aircraft on the agricultural regions in Indochina led to the serious food shortage in that region.

A. Young in point of fact touched upon in his criticism nearly the entire group of problems, in which the declarations of Washington on peaceableness have come into particular conflict with real policy. Apparently, the sanctimonious phases and the burden of government hypocricy had become unbearable to the diplomat. The Paris newspaper LE MONDE was correct when it wrote: "Young is the victim not only of the pro-Israeli lobby in the United States, although it did play a decisive role in this case. He is the victim of all those who cannot part with the well-known illusion about the 'dominating' role of the United States in the world."

7807
CSO: 1803

VILHJALMUR STEFANSON AND HIS DREAM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 58-62

/Article by Yu. P. Sal'nikov/

/Not translated by JPRS/

CSO: 1803

BOOKS--ENVOYS OF GOOD WILL

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 62-64

/Article by V. A. Voyna/

/Text/ In the autumn of this year once again, just as two years ago, the stands of the Moscow International Book Exhibition and Trade Fair, which took place under the slogan "The Book in Service of Peace and Progress," were set out at the Exhibition of USSR National Economic Achievements. In all 2,290 publishing, book trade and copyright organizations and firms from 75 world countries took part in the exhibition. The USSR State Committee for Publishing Houses, Printing Plants and the Book Trade, the All-Union Copyright Agency and the Mezdhunarodnaya kniga All-Union Association were the organizers of the exhibition; the USSR Academy of Sciences, the Ministry of Culture and the State Committee for Science and Technology, other departments, public organizations and creative unions took part in preparing and holding it.

In his greeting to the participants and guests of the International Book Exhibition and Trade Fair General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev expressed confidence that the exhibition "will be a significant new contribution to the further improvement of the book exchange and will promote the development of cultural cooperation and the strengthening of good neighbor relations between nations."

The book display from the United States of America considerably exceeded that of two years ago. This time 251 publishing companies displayed their products in Moscow instead of 73 firms, and 13,000 different printed publications were displayed at the stands instead of 5,000 titles. The American publishers offered the visitors a carefully selected display entitled "America Through the Eyes of Americans. An Exhibition of Recently Published Books Reflecting Life in the United States of America."

A committee of the Association of American Publishers headed by writer Kurt Vonnegut, which was specially created for this purpose, selected approximately 300 books, which were written "by Americans about Americans," are "popular and moderately priced," have attracted particular attention of a broad audience and could, in the words of the annotated catalog of this exhibition, which was printed in Russian, give an idea of how U.S. inhabitants "spend their free time, of their art and of what worries them most of all."

Among the selected books it was possible to find a number of unquestionably interesting publications. For example, the biographies of John Reed, Paul Robeson, Ring Lardner and Lincoln Stevens, two books on Martin Luther King and two on Muhammad Ali, the memoirs of George Kennan and Theodore White, several books of various genres on the psychological traumas which were caused in the consciousness of Americans by the war against Vietnam, "Kind and Unusual Punishment: The Prison Business" by Jessica Mitford, "Working" by Studs Terkel (the last two have been published in the USSR) and 10 or more other quite meaningful publications on history and modern life in the United States. But many more books of a different content and genre were exhibited--on fashion and tourism, needlework and the equipment of country houses or the kitchen, various hobbies, applied art, sports games, area studies albums and photo albums, a history of rock-and-roll and an encyclopedia of the most notorious criminals (entitled "Murderers Who's Who"), publications like "Do It Yourself" or "Sylvia Porter's Money Book: How to Earn It, Spend It, Invest It, Borrow It and Use It to Better Your Life"....

"It turns out that not all (!) Americans live in their own two-story homes with a two-car garage"--the annotation to the book "Living in One Room" (a collection of useful advise on the comfortable arrangement of furniture) begins with such a ribald maxim.

Some argue that such books are interesting in their own way, they also reflect life in some way. But whose life and what kind of life? Most likely precisely of those in America, who live in two-story houses with a two-car garage: it is their voice which tells about life in that country, about their own success in it; in reality, if you believe the books, there are no problems more important for Americans than the determination of "the differways to invest capital, the planning of a future career for increasing one's income" (as is said in the annotation to the above-mentioned book by Sylvia Porter on money).

But, after all, this "middle" class lives far from serenely. It experienced the visible burdens in the mid-1970's, during the period of the most serious crisis in U.S. history since the Great Depression of 1929-1932, and is now suffering the consequences of the energy crisis, the ecological crisis, the "urban crisis" and so on. It has experienced the greatest disillusionment with politics, the elections, the parties and their leaders; as public opinion polls show, it is losing faith in American political institutions as such. It experienced many upheavals during the stormy 1970's: the Watergate scandal, the exposures of the arbitrariness of intelligence agencies.... A place at the stands of the exhibition "America Through the Eyes of Americans" was not found for serious studies on these and many other themes which worry the American public.

Of course, the point is not that the designers of the display "America Through the Eyes of Americans" were appealing to visitors, who do not know English and therefore are able only to look at the pictures in books (the catalog gives such an explanation for the unusual direction of the selected books). The main thing is the attempt to represent life in America as very idealized and to ignore much.

However, it is always possible to separate the wheat from the chaff, which was done: the 500 best books out of the 13,000 brought were purchased in large batches for their subsequent extensive sale in our stores (and almost all the others henceforth will also become accessible to the reader, for they have been purchased and will find a place in libraries). It is clear that with the expansion of the participation of American publishers in the work of the Moscow exhibitions and the more complete demonstration of what the book market in the United States is rich in, the volume of exports of publications to the Soviet Union will also increase.

By the completion of the work of the trade fair Soviet organizations had concluded 213 contracts with American publishers, 98 for the purchases of copyrights and 115 for their cession. Many books were taken by our publishing houses for preliminary acquaintance to determine the feasibility of translating them into Russian.

Here are several cases of interesting deals at the exhibition. Plenum Publishing Corporation concluded an unprecedented contract on the publication of the complete translation of 90 Soviet scientific and technical journals with their subsequent dissemination throughout the world, especially in English-speaking countries, as well as the increase of cooperation in the area of the publication of translations of Soviet scientific and technical literature. The term of the contract is 10 years.

Two publishing houses--the American Harry Abrams, which specializes in the publication of fine arts books, and the Soviet Iskusstvo--will undertake the unique publication of the very prominent scientific art work, "Istoriya russkogo izobrazitel'nogo iskusstva XX veka" /A History of Russian Fine Arts of the 20th Century/. The American reader will get an opportunity to become acquainted with 1,000 works of our artists. In turn many American fine arts books and albums will be sold in our stores, including albums with reproductions of paintings by Rubens, Goya and other great masters, which are published by Times-Mirror. Control Data purchased the rights to the publication of 32 Soviet art albums and books on art, which were published by Avrora in the USSR. This company has purchased commercial lots of Soviet children's books, including in the languages of the union republics, numbering 100,000 copies. The total amount of the contracts of the two firms alone--Control Data and Harry Abrams--exceeded $500,000.

Harper and Row Vice President Robert Bench said the following in a conversation with me:

"We have learned much about each other since we became acquainted with the Soviet publishers two years ago. They, like our book traders and library workers, have begun to better understand the complex picture of your market, which so many book titles enter and where an enormous number of publishers and publishing houses operate. We now also understand much better the diverse and very exacting demands of your organizations. And all this is due to the trade fairs in Moscow."

7807
CSO: 1803

ACTIVIZATION OF U.S.-CHINESE ECONOMIC CONTACTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 65-70

/Article by A. B. Parkanskiy and A. A. Nagornyy/

/Text/ The considerable expansion of trade, economic, scientific and technical contacts between the United States and the People's Republic of China became one of the specific results of the normalization of American-Chinese relations, which proceeded in December 1978.

If we take a cursory look at the list of high-ranking U.S. representatives who have visited Beijing since that time, from this it is not difficult to infer the increasing importance of the trade and economic aspects of American-Chinese relations. The March 1979 trip to the PRC of then Secretary of the Treasury M. Blumenthal and the visits of then Secretary of Commerce J. Kreps and U.S. Special Representative for Trade Negotiations R. Strauss, which followed soon afterwards, and, finally, the Beijing visit of U.S. Vice President W. Mondale in August of the same year attest to the aspiration of the parties to place greater emphasis than before on questions of mutual trade and scientific and technical cooperation. In particular, as a result of J. Kreps' visit protocols were signed on cooperating in the following areas: the management of scientific and technical activity and the organization and exchange of scientific and technical information; science and technology; atmospheric research; fishing, marine research; metrology and standards (these four documents were drawn up in conformity with the agreement on scientific and technical cooperation, which was signed in Washington on 31 January 1979). Moreover, an agreement on trade exhibitions and the settlement of counterclaims was signed during the visit. The initialing of a general trade agreement, which was signed later, in July 1979, in Beijing by PRC Minister of Foreign Trade Li Qiang and U.S. Ambassador L. Woodcock, was the main result of the negotiations.

Problems of economic cooperation also held one of the central places during the visit to the PRC of Vice President W. Mondale, when an agreement on cooperation in the area of water power was signed. Moreover, the vice president reported the establishment of a credit fund in the amount of

$2 billion for the financing of bilateral economic transactions over the next five years.

It seems that this entire series of visits and agreements was planned so as to bring the oral understandings, which had been reached during the talks between J. Carter and Deng Xiaoping, to the level of practical measures aimed at the development of American-Chinese relations in this area.

For the United States this policy means first of all the continuation of its strategic line of taking advantage of and stimulating the present course of Beijing in international relations. American ruling circles are now also advancing a new task--to draw the PRC gradually into the system of the international capitalist division of labor. Of course, this aim is of a long-term nature and is intended for the long-range historical future. At present hardly anyone in the United States is placing particular hopes on the complete and rapid deformation of the socio-economic structure of the PRC. Primarily the foreign policy accommodation of Beijing to U.S international positions, that is, the assurance of the promotion insofar as is possible by the Chinese leadership of the plans and actions of Washington on the international arena, is planned for the next few years. And in this context the economic contacts with the PRC are called upon to serve first of all as a tool to strengthen the relations of China in directions which conform to the interests of American imperialism. At the same time in Washington it is believed that as economic cooperation is diversified and intensified, a modification of the PRC economic system in a direction which corresponds on the whole to the needs and demands of the world capitalist market will take place under its influence.

Another aspect is no less important for Washington. Within the framework of the concept "the balance of forces" it is considered expedient there that the PRC play the role of an effective counterbalance to the Soviet Union in the Far East. Hence a certain interest on the part of Washington in some assistance to Beijing in its attempts to increase its economic and military potential. The fact that Z. Brzezinski has repeatedly emphasized U.S. interest in providing assistance in the "modernization" of China within the framework of U.S. world strategy for "counteracting the Soviet Union"[1] is significant on this level. Here, however, the question of large-scale assistance to Beijing is not on the agenda. A different version is planned, which calls for the maximum utilization of the advantages of the Chinese market and at the same time the strict portioning out of the granting of the latest technology to PRC. The scale of its deliveries should provide Beijing only with the "subsistence minimum," in case of which it will be able to slow the increase of its lag behind the leading powers, particularly the USSR.

These far-reaching political calculations by no means rule out the expedience of deriving purely economic advantages from business contacts with the PRC. Here, in stepping up economic relations with Beijing, Washington is guided by at least three considerations of a practical nature. /First/ /in boldface/, the fears of American business circles of lagging behind their

West European and Japanese competitors in the development of the Chinese market. If American business circles are late for "the dividing of the pie," this would be equivalent to the loss of the prospect of expanding their "sphere of influence" in China for the next 5-10 years, since in the early 1980's Beijing plans to place the main orders for large-scale projects in the area of the production and refining of petroleum, agricultural machine building, the production of chemical goods, electric power engineering and other sectors.

/Second/ /in boldface/, the development of American-Chinese trade with the predominance of U.S. exports to China might be conducive in the future to a reduction of the deficit in its balance of payments. PRC interest in large-scale purchases of sets of equipment and large batches of agricultural products is making it possible to reduce somewhat the credit balance in the American foreign trade balance and to increase employment in the country.

/Third/ /in boldface/, the promising mineral raw material base of China is a significant factor. Both the business circles and the political leadership of the United States are clearly proceeding from the possibility of meeting if only in part by deliveries from the PRC the constantly increasing demands of the American economy for raw materials, especially petroleum.

As to the Chinese side, its goals in stepping up bilateral economc relations are also far-reaching. At present the Beijing leaders are laying stress on the growth of the economic potential of the country, not least of all by means of foreign contacts. The changes in their approach to questions of building the economy were reflected most completely in the "Four Modernizations" program, which was formulated in 1977-1978, as well as in the decisions of the Second Session, Fifth Convocation, of the All-China Conference of People's Representatives in June 1979. The need for the active expansion of economic relations with the most advanced capitalist countries and the intensification and diversification of business contacts with them is stipulated in these documents.

Even now /foreign trade/ /in boldface/ is playing a very important role in the development of the Chinese economy. At the start of 1979 the PRC was trading with 150 states, trade agreements had been concluded with a third of them. Foreign economic ties are promoting the modernization of Chinese industry and agriculture, are making up for the shortage of agricultural products, especially grain, during years of crop failures, as well as shortages of a number of types of industrial raw materials and materials.

For well-known reasons in the 1960's a reorientation of Chinese foreign trade toward the West took place. By 1969 the proportion of socialist countries in its turnover declined to 20 percent. The bulk of PRC purchases in the West in the early 1960's fell to grain (deliveries mainly from Canada and Australia) and artificial fertilizers. Starting in 1963 the imports of complete sets of equipment from Japan and the countries of Western Europe began to be expanded. The extension of the contacts with western countries was halted during the years of the Cultural Revolution.

A rapid growth of PRC foreign trade has been taking place since 1970. In the early 1970's trade was also resumed with the United States, and since the establishment of political ties between Washington and Beijing it has developed into a very active component of their policy with respect to each other. However, it performed more of an auxiliary function in the overall process of American-Chinese rapprochement. It is typical that one of the first actions undertaken by R. Nixon in the late 1960's and early 1970's for the purpose of improving relations with Beijing consisted in the removal of some restrictions on trade. And by 1973 and 1974 the commodity turnover had increased respectively to $805 million and $934 million, and the balance of trade ran an enormous excess of American exports over imports. In the next three years (1975-1977) the commodity turnover declined sharply, first of all due to the decrease of Chinese purchases of American grain; U.S. exports declined to $172 million in 1977. In 1978 a substantial increase of the volume of mutual trade again occurred--to $1.1 billion. And in 1979, as J. Kreps stated in the interview with U.S. NEWS AND WORLD REPORT, it will reach approximately $2 billion.

Textile goods, down and feathers, wicker items, some nonferrous metals (tin, tungsten), a number of foodstuffs (tea, nuts) constituted and now constitute the bulk of American /imports/ /in boldface/ from the PRC. China meets nearly 50 percent of U.S. import demands for such traditional goods as pyrotechnics.

In turn agricultural products--grain, soybeans and soybean oil, raw cotton--as well as transportation equipment and synthetic fibers constitute the bulk of American /exports/ /in boldface/ to the PRC. In 1977 the indicated goods accounted for nearly two-thirds of the American exports to the PRC. Agricultural fertilizers, aluminum and chemical products were other very important items of trade.

In the future American corporations are especially intending to enlarge the exports to the PRC of equipment for the oil drilling and petroleum refining industry, the total sales of which in 1972-1977 were more than $225 million, as well as aluminum, iron and scrap steel, pulp and paper, chemical products, agricultural fertilizers, mining and construction equipment, machine tools and scientific instruments. The products of the electronics industry, particularly computers and telecommunications equipment, are regarded in the United States as one of the most promising goods for future exports to the PRC.

According to the forecast of the U.S. Department of Commerce, by 1985 the turnover of American-Chinese trade will increase to $4.5-5 billion a year, and by 2000 to $20 billion. In the future the United States will also have a significant favorable balance in this trade. Agricultural products, as before, will constitute the bulk of American exports.

As is believed in Washington, the fact that a policy of mass purchases of equipment and technology in the West is set down in the "Four Modernizations" program and the current 10-year plan of PRC economic development is of the greatest importance to the United States and other western countries. During the period up to 1985 the Chinese purchases of equipment on the foreign market may be $30-40 billion. In the estimation of J. Kreps, the PRC economic development plans presume the purchase of equipment in the West until the end of the century in the amount of $200 billion. Equipment will be delivered mainly for metallurgy, the generation of electric power, transportation, oil drilling and petrochemistry, electronics and the mining industry. At the same time, as is anticipated, the PRC will begin to expand scientific and technical contacts with the western countries.

For Washington it is quite evident how keenly interested Beijing is in the intensification of such contacts. Without sufficiently rapid economic progress Beijing cannot count on the successful accomplishment of its nationalistic and hegemonistic aspirations. Here American experts, having studied and analyzed in detail the "Four Modernizations" program, unanimously expressed the opinion that Beijing is not capable of ensuring significant purchases of machinery and equipment by means of its own currency resources. It will be forced to agree to very large loans and credits in the developed capitalist countries, as well as to increase foreign capital investments in the Chinese economy.

The current "pragmatic" economic policy of the Beijing leadership "has created the possibility for greater influence" of the West, it is stressed in one of the recent studies for the U.S. Congress. "...In the near future the improvement of economic relations may be the most attractive way for the improvement of American-Chinese relations," the authors of the study indicate. They link this with the fact that in the long run "western influence... will be the greatest in the area of satisfying the economic demands of China." Apparently, the very hard tone of J. Kreps and R. Strauss at the negotiations in Beijing is also explained by the understanding of the fact that by its orientation toward the West Beijing has placed itself in a dependent--to a certain extent--position. It can be presumed that the manifestations of American dictation will gradually increase as China begins to get stuck in a complex system of economic relations with the capitalist countries.

At the same time it is quite obvious that in economic relations, as, incidentally, in political relations, with the United States China, by attempting to blackmail the United States with the "Soviet threat" and the possibility of reviewing its anti-Soviet policy, is conducting its own, purposive line. It is seeking the more favorable conditions of economic cooperation with the United States (low interest rates on loans, major credits, the transfer of modern technology and so on). Moreover, the Chinese leadership is striving in every possible way to stimulate a competitive struggle between the United States and Japan, the United States and Europe for its market, in other words, to play on the economic conflicts between the western powers. But in order to facilitate the accomplishment of trade and economic ties with the capitalist countries, Beijing is renouncing more and more its once "unshakable" ideological and economic aims. The policy of "reliance on domestic forces" was fundamentally revised on this level. China not only proclaimed its willingness to create joint enterprises and open concessions, but also made concrete efforts in this direction. But in the spring of 1979, during the visit of M. Blumenthal, the Chinese representatives, in his words, showed an interest in occupying the seats held for the present by Taiwan in the International Bank for Reconstruction and Redevelopment and the International Monetary Fund, which are controlled by the United States and the EEC.

In this situation American business circles were extremely enthusiastic about the prospects of a new "opening" of China. However, the further development of events showed that such expectations were based on a shaky foundation. During J. Kreps' visit to Beijing she was told about the revision taking place in Beijing of the clearly overstated limits of the "Four Modernizations" program, as well as the current PRC economic development plan. And although the Chinese side and the American secretary made reassuring statements, it became clear that the possibilities of the profitable exploitation by the United States of the needs of the Chinese economy, which were on the verge of appearing, were decreasing sharply.

Thus, in April 1979 reports appeared that the large-scale plans for the construction by American tourist firms of hotels in the PRC were being questioned. And estimates, which called into doubt the ability of Beijing to pay for large-scale deliveries of machinery and equipment from the West, began to be published in American scientific periodicals.[2] The conclusions of a report, which was prepared in March 1979 by the U.S. Department of Commerce, are also permeated with skepticism. In the publication of this department--the magazine BUSINESS AMERICA--it was stressed that China needs foreign capital equipment in amount of $70-85 billion in order to fulfill its 10-year plan (1976-1985). The currency receipts from foreign economic operations would be insufficient to cover the indicated amount, and China will have to resort to long-term foreign credits in the amount of $15-25 billion. Meanwhile, as the American magazine NEWSWEEK noted, in the opinion of experts, the Chinese side is incapable of paying off such considerable loans.

Under these circumstances in American ruling circles the stress was placed on the idea of the need for the PRC "to open the doors" for /foreign capital investments/ /in boldface/ on conditions acceptable to potential investors. The Beijing leadership was not slow in meeting the demands of western capital half way. A special law on combined companies was passed in China in July 1979. In conformity with this law with the sanction of the Chinese Government foreign companies, economic organizations and private individuals are being granted extensive opportunities to form joint associations for the production of various types of finished products and the working of the mineral wealth of the PRC. Although in the statement of the Chinese Government it was stated that management and other questions should be resolved by consultations of both parties, it has by no means been ruled out that the foreign administration will be able to establish unilateral control over these enterprises, since it is intended to borrow the entire arsenal of means of managing industry from the United States and other western countries. Moreover, Beijing is granting foreign investor firms numerous benefits in the area of taxation and the supply of raw materials and materials. In conformity with a statement of Vice Premier of the PRC State Council L. Xianrian, the foreign firm receives the right to own the majority (more than 50 percent) of the stock capital of joint enterprises on the condition of "the observance of Chinese laws." In his words, the maximum duration of the existence of a joint enterprise is 20 years.[3]

However, the effectiveness of this means of developing PRC economic relations with the West, particularly the United States, is evoking serious doubts among many American specialists.

The uncertainty of official Washington and U.S. business circles with respect to the domestic political stability in the PRC remains one of the important factors limiting the prospects of such undertakings. It is by no means possible to guarantee that as a result of a periodic domestic political turn foreign capital investments will not be threatened. And it is in general difficult to presume that the low level of economic and technical development of the country will enable China to "digest" American and other foreign investments in an economically justified period. There are also a number of other political and economic factors which make very vague the possibility of a qualitative leap in American-Chinese trade and economic relations and the prospects of their development by means of concessions and the creation of joint enterprises.

The trade agreement between the United States and the PRC, which was concluded in July 1979, also cannot solve the many objective difficulties in this direction. It creates the legal basis for trade and economic ties, but will hardly be able to fundamentally influence their development. The most-favored-nation status promised to Beijing in the agreement, for example, can only negligibly increase PRC exports to the American market. In 1978 two studies on the possible consequences of granting such a status to Chinese exports to the United States and other countries were made for the U.S. Congress. The authors of the studies came to the conclusion that this action would not have a significant influence on trade in the leading goods of current Chinese exports to the United States. The reason is that a considerable share of these goods even now do not have duties imposed on them or have imposed on them the same duties as do goods which are imported from countries already enjoying the most-favored-nation status.[4]

For all this, quite serious /conflicts/ /in boldface/ have also appeared in the sphere of economic relations. In particular, the problem of American imports of inexpensive Chinese textile goods has been aggravated. Their rapid increase has provoked the great discontent of American corporations which produce these goods. Opinions about the need to introduce protectionist measures against textile imports from the PRC began to be heard back in the mid-1970's. At that time such steps were not taken under the conditions of an overall decline in the commodity turnover between the two countries, particularly a decline of Chinese exports to the United States. However, in 1979 this problem was raised again by the American side. The leaders of the U.S. Congress warned the administration that if a ceiling was not set for deliveries of Chinese textile goods, it would be completely impossible for the Senate for domestical political reasons to ratify the American-Chinese trade agreement. R. Strauss presented the Chinese representatives at the negotiations in fact an ultimatum with a very limited deadline--three days. Not receiving the required response, the United States several days later imposed unilaterally strict quotas on Chinese textiles. Beijing tacitly agreed to this discriminatory measure. It will be in effect for a year (starting 31 May 1979). During this period Washington hopes to impose on Beijing a textile agreement, which would provided for greater restrictions than at present on imports of such goods from China.[5]

Along with trade Washington is seeking to conclude with the PRC agreements in the area of /air/ /in boldface/ traffic and on questions of /sea/ /in boldface/ shipping, which would provide for the protection of the interests of U.S. corporations. For example, the American side is demanding that a minimum of one-third of the maritime freight turnover between the two countries be carried on ships under the American flag.

The conditions of the settlement of mutual /financial/ /in boldface/ claims, which have not been completely clarified, remain another stumbling block. For a long time China did not recognize as legal the claims of American citizens and companies in the amount of $196.6 million (former American property in China, which was nationalized in 1949, was valued at this amount). On the other hand, in the United States Chinese funds in the amount of $80.5 million were frozen for a long time as potential compensation for American claims. Besides the question of private claims, some circles in the United States attach serious importance to official American claims against the PRC, which are connected with old loans of the Export-Import Bank, claims of the American Postal Service, a claim for the recovery of the property of the U.S. consulate and so forth in the amount of $200 million.

The solution of the problem of mutual financial claims was also the primary task of the trip of M. Blumenthal to Beijing. As a result of the negotiations an agreement was initialed, in conformity with which China will receive all its frozen assets in the United States, while the American side will receive compensation in the amount of less than half of the value of the nationalized private assets. The assets received from the PRC will be divided proportionately among the American plaintiffs, the main ones of which are Exxon, Caltex, ITT and General Electric.

In spite of the statements of the parties that as a result of the 1979 negotiations these issues were basically resolved, reports have appeared in the general and scientific press, which attest that this problem has not been removed from the agenda and may yet play a significant role. The point is that a number of private companies were clearly dissatisfied with the proposed compensation. Such a situation is creating certain additional obstacles in the way of the expansion of American-Chinese trade, for these firms still have an opportunity to actively oppose the agreement through the court or legislative bodies of the United States.

The development of American-Chinese trade and economic relations in the 1970's shows the existence of a certain objective basis for the activization of the relations between the two states in this sphere. The past years have shown that there are also considerable areas of variance in interests, which are destabilizing the process of reviving economic ties. In striving to use the economic needs of China in its own strategic interests and to the direct benefit of the monopolies, the United States has normalized its economic relations with the PRC, which were broken after the Chinese revolution, and has begun their legalization. These steps resulted from the meeting by the Chinese side of the demands which to a great extent increase the possibilities for the introduction of the monopoly capital of the United States and its allies in the Chinese economy. In turn Beijing is seeking to utilize the economic ties with the West as much as possible for fulfilling its military and economic programs, which are called upon to ensure the accomplishment of its great power hegemonistic plans.

FOOTNOTES

1. MAINICHI DAILY NEWS, 25 August 1979.

2. See, for example, E. Kintner, G. Copper, "A Matter of Two Chinas," Philadelphia, 1978, pp 29-32.

3. EAST-WEST, No 229/230, 1979, p 10.

4. CHINA BUSINESS REVIEW, July-August 1979, p 29.

5. Ibid.

7807
CSO: 1803

AMERICAN LAWYERS VISIT THE SOVIET UNION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 71-72

/Interview with U.S. Attorney General Griffin B. Bell by V. A. Vlasikhin/

/Text/ Last summer a delegation of American lawyers headed by Griffin B. Bell, who at that time held the post of U.S. Attorney General, was in the Soviet Union on an invitation from the Association of Soviet Jurists. The delegation included the well-known American lawyers Malcolm Wilkey, a judge of the U.S. Court of Appeals, District of Columbia, William Spann, president of the Association of Trial Lawyers of America during 1977-1978, and Brooksley Landau, an active figure of the association.

The American delegation jointly with members of the Association of Soviet Jurists took part in four working seminars, at which the following themes were discussed: the role of law and lawyers in the development of positive relations between the USSR and the United States; legal aspects of environmental protection; the legal protection of mothers and children; the fight against offenses of an international nature. A considerable community of points of view was found on the majority of the questions discussed and the practical value of further searches for mutually acceptable decisions was emphasized.

Member of the Politburo of the CPSU Central Committee and Chairman of the USSR Council of Ministers A. N. Kosygin received American delegation head G. Bell at the Kremlin.

During its stay in the Soviet Union the delegation met with President of the Association of Soviet Jurists and Chairman of the USSR Supreme Court L. N. Smirnov, USSR Prosecutor General R. A. Rudenko, USSR Minister of Justice V. I. Terebilov and USSR Minister of Internal Affairs N. A. Shchelokov. An exchange of opinions on questions of Soviet-American relations in light of the results of the meeting of General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev and U.S. President J. Carter in Vienna was held.

At the end of the visit a joint communique was signed. Chairman of the USSR Supreme Court L. I. Smirnov signed it on behalf of the Association of Soviet Jurists, G. Bell signed in on behalf of the American party. In the conclusion of the communique it is stated: "The spirit of Vienna and SALT II, which permeated the entire visit of the delegation, is an excellent platform, on which the future should be built and relations in the spirit of peace for the good of mankind should be developed."

G. Bell granted an interview to our correspondent V. A. Vlasikhin.

Question: What was the purpose of the visit of the delegation of the Association of Trial Lawyers of America?

Answer: Our goal was the further expansion and improvement of the relations between Soviet and American legal practioners and scientists.

Question: Are you satisfied with its results?

Answer: Yes, I am. We had an excellent trip, during which very useful and meaningful meetings were held with representatives of the Soviet legal profession. And I feel that following these meetings we began to understand both each other and the legal systems of our countries much better.

Question: How do you picture the role of law and lawyers in the development of the relations between the USSR and the United States?

Answer: The task of law and the cooperation of lawyers is the creation of a mechanism both in the area of law itself and in other spheres, by means of which specialists of all fields of knowledge could work productively to solve many problems of an international nature. Of course, in their activity the lawyers of each country base themselves on the procedures and rules which have been established for their own country. But there is also some similarity of the legal systems. In my opinion, it would be a good thing for the cause of peace, if we developed a specific system of basic, universally recognized standards of law and legality, which would promote a greater mutual understanding of the legal systems of our countries.

Question: What are your impressions from traveling about the country?

Answer: They are very good. We visited Moscow, Tashkent, Samarkand and Leningrad. The achievements of the Soviet people--the scale of housing construction, the agricultural development programs, the measures on protecting natural resources and the environment--are impressive. You are putting much energy and money into the restoration of the monuments of antiquity, which is evidence of the considerate attitude of a civilized people toward its history and cultural values. You have spent much money on the rehabilitation and restoration of Leningrad, and all this deserves great praise. The visit to Leningrad, where we saw with our own eyes at the price of what victims and deprivations the Soviet people achieved victory in the war and how sincerely the Soviet people are devoted to the cause of peace, created a great impression on us.

Question: What is your appraisal of the Soviet-American SALT II Treaty?

Answer: I support this treaty and express the hope that it will become the basis for the further development of positive relations between the USSR and the United States in the matter of strengthening peace.

7807
CSO: 1803

THE EXECUTION OF CHARLES HORMAN. AN AMERICAN SACRIFICE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 73-84

/Conclusion of the translation by V. N. Pivovarova of chapters from the book "The Execution of Charles Horman. An American Sacrifice" by Thomas Hauser, Harcourt, Brace, Jovanovich, Inc., New York, 1978; first installment published in SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 10, October 1979; second installment published in SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 11, November 1979/

/Not translated by JPRS/

CSO: 1803

THE ENERGY CRISIS AND U.S. AVIATION INDUSTRY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 85-94

/Article by S. D. Beshelev/

/Not translated by JPRS/

CSO: 1803

THE DATA-PROCESSING INDUSTRY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 95-104

/Article by G. B. Kochetkov/

/Not translated by JPRS/

CSO: 1803

JAPANESE MANAGEMENT IN THE U.S.

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 104-109

/Article by A. N. Kuritsyn/

/Not translated by JPRS/

CSO: 1803

BOOK REVIEWS

Malcolm Cowley Memoirs

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 110-112

/Review by A. S. Malyarchik of the book "And I Worked at the Writer's Trade. Chapters of Literary History: 1918-1978" by Malcolm Cowley, New York, Viking, 1978, 276 pages/

/Text/ In the latest book of the 80-year-old American literary scholar it is easy to discern features if not of a public creative will, then at least of a conscious summary by the author of his diverse activity. Reaclling the circumstances which accompanied his literary debut in the late 1920's, Cowley formulates again the value orientation, to which he sought to be true in subsequent decades: "I wanted to become a writer, but not at all a celebrity, whose works are printed in lush magazines. By living inconspicuously and limiting my needs, I wanted to preserve my inner freedom in order to surprise everyone one fine day with something totally new and very talented." Cowley was not destined to become a major prose writer or poet; the only collection of his verse, "Blue Juanita" (1929), which was written under the influence of French surrealism, was not continued. However, as a literary critic, and then an expert in the creative work of the representatives of his generation--the most important U.S. writers of the 20th century--M. Cowley acquired extensive recognition in his own country and international fame.

The genre of Cowley's book, which was titled after a slightly altered line from a gay English ditty about a bachelor who "always lived for himself and did almost everything under the sun," can be characterized as a combination of autobiographic essays with sketches of literary morals in the United States, as well as with observations on the creative work of a number of contemporary writers. The composition of the volume is somewhat nonuniform: for example, the interesting critical biographical essay devoted to Erskine Caldwell, who long ago had already fallen into disfavor among most bourgeois literary scholars, is placed next to factual information on the discords in the literary surroundings in connection with the founding of the National

Institute of the Arts and Letters, while the content study of the creative path of the poet Conrad Aiken is interrupted by quite amorphous judgments, which are more descriptive of manners than analytical, on the theme of "how writers write." Although the subtitle of the work is "Chapters of Literary History: 1918-1978," its author apparently did not intend to create a systematized scientific work on the declared theme. In reality the reader is faced with a number of articles, which were written in various connections and are united, on the one hand, by the chronological framework of the period in question and, on the other, by the personality of the author himself, whose presence as a contemporary and a collaborator of the literary process is felt on each page.

While measuring traditionally the history of U.S. literature in the 20th century in segments a decade in length, Cowley writes comparatively little about the 1920's, which have already served as a topic of research in his books "Exile's Return" (1934) and "Second Flowering: Works and Days of the Lost Generation" (1973). Void in contrast to its predecessors of the vitality of direct impressions, the latter of the mentioned works was notable in return for the soundness of analysis and the completeness of the coverage of the material. Nearly all the most prominent figures who made up the "lost generation," which Cowley, however, is inclined to call the "generation of lucky," received their share of attention here: Fitzgerald and Hemingway, Faulkner and Dos Passos, Cummings and Hart Crane. In his new book Cowley returns to the figures of Hemingway and Faulkner, but does not advance any new ideas in the interpretation of their creative work. The 1920's are now represented in Cowley's book by the quite secondary names of the poet Foster Damon and the prose writer Robert Coates, with respect to whom the author justly notes that they were both nothing more than "people in the crowd," which constituted the animated and motley background of this remarkable literary era.

Of a different nature is Cowley's account of the "fair decade" of the 1930's, which the American critic calls "the years of faith, faith in the apocalyptic dream of universal brotherhood, which was shared then by all writers, with the exception only of inveterate hack writers, who did not set themselves any serious goals." Cowley convincingly refutes the opinion which is widespread in the United States, that the creative work of Faulkner, Fitzgerald and T. Wolfe was outside this prevailing mood; at the same time he sees the highest expression of social inspiration in Dos Passos' trilogy "USA," in Hemingway's novel "For Whom the Bells Toll" and especially in Steinbeck's "optimistic tragedy," "The Grapes of Wrath." On the basis of these and several other noteworthy works Cowley believes that America in the 1930's added to the old slogan of the Great French Revolution "liberte, egalite, fraternite" another important component--the idea of human worth: "It was the struggle for the dignity of man that was revealed during those years by Steinbeck among his Oklahomans, by Faulkner among the Mississippi Negroes, by Hemingway among the Spanish rebels and by James Agee among the white sharecroppers at the cotton plantations of Alabama." Not only the recognition of man's abstract right of the pursuit of happiness, but also the insistent demand to defend his honor and good name--these are probably the main conceptual result derived by U.S. literature from the complicated stratification of the conflicts of ideas of the 1930's.

Moving on to the examination of American prose and poetry during the war and postwar period, Cowley tries not to repeat what he has already said earlier and what the readers know from his books "Literary Situation" (1954) and "The Many-Windowed House" (1970). He appraises the 1940's as an era when "hardly anything happened in the literary world, since 'external life' was so rich in events"; on the writers of the 1950's he says that "the narrowing of the spectrum of interests and the loss of social resonance united their works to a perceptible extent as compared with what had been written during the preceding literary era." But Cowley makes a significant amendment to the current notion about the "silent generation" of the 1950's, calling it rather the "expectant," "listening" generation and even the generation "which asks questions," but questions, however, without particular interest, in a calm, or rather a melancholy tone, as one asks when he knows that the answer received will not change anything in the established worldly practice. Cowley assigns Salinger, Capote, H. Gold and R. Morris with good reason to this group of gifted people, who had been squeezed by the bourgeois routine, but still "question" and disturb the conscience of their audience.

In the concluding chapter of the book, "Rebels, Artists and Scoundrels" Cowley gives from the viewpoint of an "aloof observer" a brief appraisal of the processes which took place in U.S. literary and social life during the 1960's and early 1970's. Following Morris Dickstein, author of the work "The Gates of Eden: American Literature in the Sixties" (1977), Cowley divides this interval, which is saturated with events, into three stages: "the years of hope" (1963-1966), "the years of confrontation" (1967-1970) and "the times of confusion" (1970-1973). It is noteworthy, however, that this periodization provides hardly anything for understanding the evolution of American literature and its connection with the social movements of the recent past. It has become an indisputable fact that the "young rebels" and creators of the "counterculture" of the 1960's did not make any significant contribution to the literary, graphic ideological substantiation of their program, having left the accomplishment of this task to writers of the older generation (Vonnegut, Barthe, Coover), but using even more often as battle standards works which were written under a completely different historical situation, like J. Heller's "Catch 22" and Salinger's "Catcher in the Rye." At the same time Cowley correctly suggests that the increase of the oppositional sentiments in the social sphere could not but influence the formation of the world outlook of the debutantes of the 1970's, to whom, along with Joan Didion and Ann Taylor, whom he mentions, it would be legitimate also to assign John Gardner, Mary Gordon and John Irving.

The mosiac nature of the composition and a certain triviality of some pages to a certain extent decrease the scientific ponderability of the M. Cowley's collection of critical literary and critical biographic works. But, all the same, the lively testimony of a man, who actively promoted the public recognition of the most prominent talents of his country, is of undoubted interests both for the specialist in literary criticism and for any connoisseur of the American classics of the 20th century.

Interest Groups, Lobbying, Policymaking

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79
pp 112-113

/Review by T. N. Yudina of the book "Interest Groups, Lobbying and Policymaking" by Norman J. Ornstein and Shirley Elder, Washington, Congressional Quarterly Press, 1978, XII + 245 pages/

/Text/ In the opinion of the authors of the book being reviewed, many people in the United States have an insufficiently clear idea of the activity of lobbyists, that is, the people who directly defend the interests of certain pressure groups or others. The opinion is widespread in the country that "a lobbyist is an imposing man, with shifty eyes, who hands envelopes with money to dishonest political figures" (p XII). The reason for this, the authors admit, is that for many people the activity of lobbyists is connected with corruption. It is not so much the revelations of recent years, which pertain to political graft, as the interconnection, which is obvious even to the ordinary observer, between the financial support by the largest U.S. corporations of the election campaigns of candidates for Congress and the subsequent statements of the laymakers in defense of the interests of the corporations which financed them, which serve as the grounds for this. All this is conducive to the creation of an "oversimplified idea" of the activity of lobbyists and of lobbying itself as a whole, the authors state.

The activities of the major lobby organizations of big business, small business, farmers and labor unions are described in detail in the book. In the 1970's lobbying in the United States became not only more diverse in the forms and methods of influence on the political process, Ornstein and Elder claim, the sphere of lobbying activity and its interests was extended. Along with an increase of the lobbying activity of major corporations the activity of so-called public interest groups is being stepped up.

The authors note that in 1973-1974 there were 83 such groups, of them 21 groups for environmental protection, 13 for the protection of consumer interests, 5 for the protection of civil rights and the war on poverty and 16 which upheld the cause of peace. In recent years such organizations of a lobby nature as the National Taxpayers Union, which has existed since 1969 and has more than 40,000 members, have entered the political arena. The main goal of this group is actions against unjustified (from the public point of view) federal expenditures, first of all military expenditures; the Federation of American Scientists--it was founded in 1946 and represents more than 7,000 scientists; the Women's International League for Peace and Freedom, which was founded in 1915, its American sector became an active supporter of the struggle for peace. The largest public lobby organization--Common Cause--has about 250,000 members and speaks out of many issues, defending the interests of consumers in the face of the attack of the monopolies.

N. Ornstein and S. Elder also examine the foreign policy lobby. They note that there are two types of this lobbying activity--the lobby of agents of foreign governments and the lobby of American groups, which have interests in foreign countries. At present many countries have their own agent or agents in Washington, whose task is to lobby Congress and the Department of State on questions of foreign aid and most-favored-nation status in trade, as well as on several other questions. This second type of this lobbying activity is connected with the area of domestic problems. For example, the AFL-CIO tried to get an increase of the duties on Italian shoes in order to protect the American shoe industry; electronics firms tried to get the introduction of a protectionist trade barrier in order to protect American industry from competing Japanese firms and so on.

As the authors of the book point out, in the 1970's a sharp step up in the lobbying of ethnic groups--Americans of Jewish, Arabic and Greek descent--occurred.

Thus, in the book practically the entire spectrum of pressure groups is shown, the motive forces and directions of the activity of the main interest groups, which have appeared on the U.S. political arena, are revealed.

However, in enumerating and classifying the lobby organizations, the authors cannot but admit that the financial assets and other means, which one organization or another, or rather interest group, has and can use to achieve its goals, play an essential, and in a number of instances a decisive role when evaluating the effectiveness of lobby organizations. For example, the major organizations of American business have tens of registered lobbyists in Congress, while the organizations representing public interests are, as a rule, deprived of such an opportunity.

The authors also recognize another important feature of lobbying in the United States: even the most democratic of the pressure groups are made up of representatives of the highest strata of the U.S. population (p 10). The poor and even the representatives of the middle strata of the population are deprived of the opportunity to be heard during the discussion of national policy, and thereby to influence the policy of Washington.

American-Japanese Textile War

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 113-114

/Review by A. A. Soskin of the book "The Textile Wrangle. Conflict in Japanese-American Relations, 1969-1971" by I. M. Destler, Haruhiro Fakui, Hidea Sato, Ithaca and London, Cornell University Press, 1979, 394 pages/

/Text/ "Trade wars" between the United States and Japan have broken out more than once during the past 15 years. In the book being reviewed it is a matter of comparatively recent events--the "textile war" of 1969-1971. However, taking into account the current status of the trade and economic relations of the two countries, it is also of definite interest today.

The authors of the book--I. M. Destler, the head of a program of the Carnegie Endowment for studies of the interrelations of the executive and Congress, H. Fukui, a professor of the University of California, and H. Sato, a member of the Yale University staff--trace the evolution of American-Japanese relations in the postwar period and come to the conclusion that the "textile war" of 1969-1971 was not unexpected. During the first two decades following World War II, the authors believe, the relations between the two countries on the whole developed favorably. The closeness of their foreign policy and economic interests played a definite role in this. In military political issues the Japanese ruling circles adhered to a clear pro-American orientation. At the same time no apprehensions concerning economic competition on the part of Japan were felt in the United States during that period. On the contrary, the United States was interested in strengthening Japan economically as its most important military ally and therefore gave it some support. Thus, the United States achieved the admission of Japan to GATT and OECD, provided it with technology and for a long time resigned itself to Japanese restrictions on foreign investments (pp 24-25).

In the mid-1960's the situation changed. Washington's Vietnam adventure showed the Japanese Government the danger with which the unconditional movement in the channel of American politics was fraught. As Japan gained strength economically, the United States was confronted more and more with Japanese competition, which was especially severe under the conditions of the overall deterioration of its international economic positions. Japan began to be regarded in the United States not only as a military political ally, but also as an economic rival. At the same time Japan with its rapid rate of economic growth was less and less inclined to resign itself to the position of a second-rate power (p 26). The "textile war" was one of the manifestations of stepped-up Japanese nationalism (p 87).

Thus, the authors conclude, "...the textile conflict of 1969-1971 emerged during a transitional period for Japanese-American relations. The former foundations of their alliance had begun to become obsolete, and new ones had not yet been formed" (p 28).

The "textile war" began in 1968, when during the election campaign Republican Party presidential candidate R. Nixon promised to get a restriction on imports to the United States of woolen and synthetic fabrics and items made from them (the importation of cotton fabrics was regulated by a previously concluded international agreement). Nixon gave this promise, the authors emphasize, in order to enlist the support of delegates from the southern states (where the U.S. textile industry is basically concentrated) and to achieve his nomination at the Republic Party Convention (p 68). After being elected President Nixon tried to reduce the imports of textiles by concluding agreements with the exporting countries, and first of all Japan.

But Japan, one of the leading exporters of textiles to the United States, responded to the proposal to establish "voluntary" restrictions on exports with a sharp rejection. The course of the negotiations between the two countries is described in the book in detail, month by month.

The exceptionally hard line taken by both the Japanese and the American textile business was, in the opinion of the authors, the main cause of the textile conflict, which dragged on for three years. As a result both the official proposals of the U.S. Administration (in January 1970) and the compromise versions, which the American party advanced in March of the same year, were rejected due to the opposition of Japanese manufacturers, although Japanese Prime Minister E. Sato during a meeting with Nixon in November 1969 expressed the willingness to accept the American conditions. In turn, as a result of the negative reaction of the textile business the United States did not accept the counteroffer of the Japanese Government (March 1970). When under the conditions of the activization of anti-Japanese sentiments in the United States the threat of the passage of protectionist legislation arose, Japanese business circles came forward in March 1971 with a plan of some limitation of textile exports to the United States, but this plan was rejected by the American administration as inadequate (p 272).

The United States was able to get from Japan an agreement on the limitation of exports of textile goods only in late 1971. As is known, in August of that year U.S. President Nixon introduced a number of extraordinary economic measures, including an additional tax on imports, which struck a painful blow to Japanese interests. Moreover, taking advantage of the established "emergency situation," the United States threatened to extent to Japan the Trading With the Enemy Act (p 293). Under these conditions the Japanese Government, not wishing the further aggravation of relations with the United States, agreed to concessions. A three-year agreement, which limited Japanese exports of textile goods to the United States, was signed between the two countries on 3 January 1972. In subsequent years the exports of Japanese textiles to the United States decreased so substantially that in the mid-1970's a number of the restrictions stipulated by the agreement were removed (p 317). The textile exports from Japan began to increase again only in 1977; in early 1979 a new three-year agreement was concluded, which establishes the limits of the increase of imports to the United States of Japanese textile goods and garments.

In spite of the considerably descriptive nature, the book "The Textile Wrangle" gives an idea about a very important stage of U.S. interrelations with one of its leading allies and trade partners. In it an attempt has been made to show the effect of domestic policy factors on the elaboration and implementation of the foreign economic policy of the two most prominent capitalist countries.

7807
CSO: 1803

THE USSR - CANADA: SCIENTIFIC AND TECHNOLOGICAL CONTACTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79 pp 115-117

/Article by B. I. Alekhin/

/Text/ Modern world economic relations are making possible and necessary the transition to more and more complex and diverse forms of international economic, industrial, scientific and technical cooperation, including between countries with a different social system. For the USSR and Canada this transition began only in the mid-1970's. (The first Soviet-Canadian trade agreement was signed in 1956.) During the 1960's an extremely limited number of contacts in the area of science and technology went beyond the exchange of information and visits of specialists. On the Canadian side the government was the initiator. Since 1964 the federal corporation Atomic Energy of Canada has been cooperating with the USSR State Committee for Utilization of Atomic Energy, while since 1969 the firm Polysar, which also belongs to the Federal Government, has been cooperating with the USSR Ministry of the Petroleum Refining and Petrochemical Industry.[1]

The first intergovernmental "Agreement on Cooperation in the Use of the Achievements of Science and Technology in Industry," which was signed in 1971 and on the basis of which a joint commission and its operational bodies--the working groups on the petroleum and gas, pulp and paper, timber and wood working, metallurgical industries, power engineering, transportation, agriculture and others--operated, became an effective catalyst of the development of Soviet-Canadian scientific and technical contacts. During 1971-1976 (the period of work of the commission) the number of visits of specialists to both countries exceeded 90, 12 bilateral symposia and seminars were held. At its Fourth Session in 1975 the joint commission came to the conclusion that the cooperation had acquired a long-term and planned nature and a favorable situation had formed for the transition from introductory measures to the elaboration and implementation in practice of a number of joint scientific, technical and research projects.

---

[1] See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 12, 1977, p 37.

At that time 10 such projects were under the consideration of the parties. Some of them had been nearly or fully accomplished. Thus, in 1975-1976 in accordance with a contract of the Mashinoeksport Foreign Trade Association the Canadian Research Association for Drilling conducted tests of Soviet turbodrills. The same /Soviet/ association and the firm Global Trading in 1976 signed a contract for the delivery from Canada to the USSR of some machinery and materials, as well as for the main installation operations and technical consultations, which are necessary for the sinking of oil wells under the conditions of permafrost. The joint designing of a thermal electric power station for construction in third countries was completed. Canadian drilling equipment is being successfully introduced in the USSR.[2]

At the Fourth Session of the joint commission it was pointed out at the same time that it is necessary to devote much attention to the specification of cooperation on the main themes by the determination of the specific projects according to such criteria as the nature and task, the feasibility, the identification of all those interested in each country, the anticipated benefit and the time necessary for the complete preparation of the project. The joint commission appealed to the USSR State Committee for Science and Technology and the Canadian Ministry of Industry, Trade and Commerce, which are responsible for the fulfillment of the agreement, to take the necessary steps to prepare a list of projects according to the indicated criteria, which would become the future program of cooperation. The joint commission noted that in a number of instances one party has significant achievements in the area of basic research, while the other has better opportunities to use them for practical purposes. This is making it possible to determine the new directions of scientific and technical contacts, which go beyond the activity of the working groups.

The first steps have been taken within the framework of the agreement toward the introducion of complex forms of scientific and technical contacts between the USSR and Canada, which resulted from the high level of scientific and technical development of the two countries, a certain similarity of their positions in the international division of labor, as well as--owing to the similarity of their geographical and climatic conditions--a certain mutual complementariness within some sectors of the economy and forms of research and development. This made it possible not only to study all possible characteristics of industrial production of each country, but also to elaborate a concrete program of actions and to determine the departments and firms, which are capable of cooperating on this program. In a number of cases it was a valuable tool for identifying the short-term and long-term commercial potentials which are of mutual interest. For example, Canadian firms concluded contracts for the delivery to the USSR of equipment for the timber and wood processing industry, pipeline compressors, hydraulic pumps and four-wheel drive vehicles, while Soviet organizations concluded contracts on the delivery to Canada of tractors, agricultural implements, power equipment, machine tools and other items.

---

[2] See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 12, 1977, p 38.

Several license agreements, to which Soviet organizations and Canadian firms became parties, were concluded in the 1970's One of the world's largest producers of aluminum and items made from it--Alcan Aluminum--purchased a Soviet license for the design of the busbar of aluminum electrolyzers. The leader of the Canadian steel industry, the Steel Company of Canada, in accordance with a sublicense purchased a Soviet system of evaporative cooling of blast furnaces. A license agreement is in effect between the Litsenzintorg Foreign Trade Association, the Canadian firm Kaiser Resources and the Japanese Mitsui Mining in the area of the hydraulic mining of coal. The same association purchased from the Canadian firm Bata Shoes a license, the technical and production "know-how," as well as equipment for the production of a number of models of waterproof boots.

It is interesting that Alcan Aluminum, the Steel Company of Canada and Bata Shoes, just as, incidentally, both Polysar and Atomic Energy of Canada, are among the giants of Canadian industry, which are controlled by national capital. Another basic characteristic of the Canadian firms participating in technological exchanges with the USSR is the fact that the main business of most of them is the mining of minerals and the production of industrial raw materials and semimanufactures (Alcan Aluminum, the Steel Company of Canada, Kaiser Resources, Polysar). And it is this activity which also determines the place of Canada in the international division of labor.

The intergovernmental "Long-Term Agreement on the Promotion of Economic, Industrial, Scientific and Technical Cooperation," which was signed in 1976, became an important milestone in the development of scientific and technical contacts between the USSR and Canada. It is being implemented under the aegis of the USSR Ministry of Foreign Trade and the Canadian Ministry of Industry, Trade and Commerce. As before the USSR State Committee for Science and Technology is carrying out cooperation with the Canadian side on questions of a scientific and technical nature. One of the tasks of the new joint commission, which was set up to implement this agreement, is the elaboration of proposals and measures on expanding scientific and technical cooperation. The working groups set up within the framework of the preceding agreement were converted into working groups of the new joint commission. They have now been entrusted with the solution of questions not only of a scientific and technical nature, but also of cooperation in the field of economics and industry, as well as with the determination of the possibility of trade in machinery, equipment, finished items, engineering services, industrial raw materials and agricultural products. The more efficient assessment and realization of the possibilities of expanding mutual trade on the basis of technological exchanges have thereby been ensured. In development of the long-term agreement a comprehensive program of economic, industrial, scientific and technical cooperation was drafted and was approved in 1978.

While the legal contractual basis of Soviet-Canadian scientific and technical contacts continued to be improved, a loss of speed has been noticed since the mid-1970's in the practical implementation of the approved plans. No appreciable progress has been achieved in some working groups of the "old" joint commission.

Back in 1958 the USSR Academy of Sciences and the National Research Council of Canada concluded an agreement on cooperation and exchanges, thereby laying the groundwork for regular bilateral contacts at the academy level. This agreement provides for sending 15 specialists in the field of the natural sciences from each side on a mission for a total period of 68 months. The contacts of scholars in the field of the social sciences are regulated by an intergovernmental agreement on exchanges, which was signed in 1971 and is the basis for compiling specific two-year exchange programs. In accordance with this agreement the USSR and Canada can exchange 10 visits with a total length of up to 20 months. Moreover, Soviet and Canadian scientists have an opportunity to enter into contacts, attending numerous scientific forums in both countries and inviting colleagues to give lectures and become familiar with scientific activity. Thus, in 1978 112 Soviet scientists went to Canada to participate in scientific meetings and 14 went on invitations, while correspondingly 83 and 9 Canadian scientists visited the USSR for the same purposes.

Although the agreement between the USSR Academy of Sciences and the National Research Council of Canada has been in effect already for more than 20 years, the parties began to implement a number of joint projects only in the second half of the 1970's. The first of them was the development of numerical adaptive regulars of activation and speed for powerful synchronous generators. The Siberian Institute of Power Engineering of the USSR Academy of Sciences and the University of Calgary are acting as partners here. Two seminars on this theme (one in the USSR, the other in Canada), the materials of which were published, were held in 1976. The second project is the development of methods to control the carriers of infectious diseases. The third project on the theme "Gastrointestinal Hormones" is being carried out by the Institute of Physiology imeni I. P. Pavlov of the USSR Academy of Sciences and the University of Toronto. Cooperation is being carried out by means of the exchange of results of the radio immunological analysis of the levels of various hormones, specimens and other information.

"Delays" are also occurring in the cooperation of the USSR Academy of Sciences with the corresponding Canadian organizations. It has been two years now since the Soviet proposals on the expansion of cooperation were turned over to the Canadian side, but there has been no response yet to these proposals. In 1978 the Canadian side without any grounds for this cut almost in half as against the agreed quota the number of visits of Soviet scientists to Canada. A year earlier the National Research Council of Canada retracted its proposal on increasing the number of scientists sent of trips.

Thus, along the lines of both intergovernmental agreements and academy contacts the problem of filling the developed legal contractual forms with real cooperation in the areas of scientific research and technical innovations is being brought to the forefront.

7807
CSO: 1803

AMERICAN ATLANTIC COUNCIL

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 79
pp 118-121

/Article by A. F. Gorelova/

/Text/ The strengthening of the ties of "Atlantism" has remained one of the main directions of United States foreign policy during the entire postwar period. The administration of President J. Carter has also confirmed U.S. devotion to this strategic policy. In putting it into practice, U.S. ruling circles make extensive use of international forums and organizations and private nongovernmental agencies. The most significant among the international Atlantic associations are NATO, the North Atlantic Assembly and the Atlantic Institute for International Relations in Paris. Each of these organizations fulfills its own specific functions.

In the United States mainly the centers for the study of foreign policy at leading universities are engaged in scientific and theoretical research in the area of "Atlantism." The Altantic Council of the United States--a nongovernmental, nonparty organization which was founded in 1961--is a special combined organization, the activity of which is aimed not only at conducting scientific research, but also at the practical implementation and promotion of the Atlantic policy.

During that period the complication of the relations between the United States and Western Europe, which was cause by differences in their approach to many questions of international life, which, in the opinion of U.S. ruling circles, it was necessary to eliminate for the sake of maintaining the positions of the capitalist system as a whole, served as the objective prerequisite for its establishment. The newly founded organization was called upon to concentrate the efforts of the advocates of "Atlantism" in various sphere of U.S. public life for the purpose of maintaining unity in the North Atlantic region.

The financing of the activity of the council is accomplished through the largest monopolies and foundations (such as the Rockefeller Foundation, the (Ollegeni) Foundation), as well as private "donors." Government agencies give material support to some measures of the council. Thus, the U.S. Department of Commerce took part in the founding of the committee on East-West trade, which began operating in 1974. The "donors" contribute some amounts for the implementation of some specific project, other amounts go to the general budget of the council, the distribution of which is carried out with allowance made for the urgency of certain directions or others of its work.

The Board of Directors of the Atlantic Council is made up of approximately 100 people--representatives of U.S. ruling circles, who are interested in the stable development of American - West European relations, as well as scientists and public figures, labor union officials and servicemen. Many of them were at one time high-ranking officials and have abundant work experience in international organizations. Some hold important official posts at present. The members of the board belong to the main structural subdivisions of the council--the committees (sometimes several at once). The committees of the council have relative independence and often act on their own behalf, conducting under their own aegis various studies and measures, which creates, in the opinion of the management, a flexible and effective system.

The Chairman of the Board of Directors of the Atlantic Council at present is the well-known American political figure K. Rush.

Representatives of a number of major multinational corporations, for example, Chrysler, Exxon, Procon, Hewlett-Packard and Bendix, belong to the board of the council and its committees. The representatives of the business world are promoting the contacts of the council with U.S. monopolistic circles and the process of their mutual influence according to the formula "money-ideas."

During the existence of the Atlantic Council representatives of the political elite of the United States have always been on its board. Nearly all the postwar U.S. Secretaries of State--D. Acheson, C. Herter, D. Rusk, W. Rogers, H. Kissinger--were on the lists of its directors. For a long time former U.S. Vice President H. Humphrey belonged to the council. Former Under Secretary of State G. Ball, former Assistant Secretaries of State E. Rostow, F. Wilcox, R. Murphy, J. Leddy, T. Finletter and (F. Trezise) are actively contributing to the council. Owing to their contacts they all have an opportunity to influence in practice the formation of U.S. Atlantic policy.

Former Secretaries of Defense T. Stanley and L. McWade and former Deputy Secretaries of Defense D. Packard, W. Foster and P. Nitze, who are taking part in the work of the council, link it with the military circles of the country. People who in the past held responsible posts in NATO make up a special group.

Among the political scientists, who contribute to the Atlantic Council, there are scholars who themselves head research centers (for example, Doctor D. Abshire, chairman of the Center of Strategic and International Studies at Georgetown University). The majority of them are well-known specialists in American - West European problems.

Several members of the Atlantic Council belong to the "tripartite commission," which "forged" the ideological principles of the present administration. Among them it is possible to mention H. Owen--former chairman of the Department of Foreign Policy Research of the Brookings Institution, and now a special representative of the President on foreign policy issues. More than 20 executives of the Atlantic Council are members of The Council on Foreign Relations[1]--an organization which has much influence on the development of the principles of U.S. foreign policy.

Under present conditions the practical promotion of the consolidation of the system of U.S.-West European relations, which is being torn apart more and more by conflicts, and the modification of Atlantic ties in conformity with the new circumstances and the demands of the times remain the goal of the activity of the Atlantic Council. The specific directions in the search for ways to achieve this goal are determined by the conception of the present administration about the need to unite all the "individual countries" on the basis of "tripartism" (the countries of North America, Western Europe and Japan),[2] for, in the opinion of the executives of the council, "these diverse and complex relations were and will be central in the sphere of the basic political and economic phenomena, which have an influence on the international position and domestic well-being of the United States."[3]

The most important part of the work of the council is scientific research work. The council publishes periodic publications--the quarterly magazine THE ATLANTIC COMMUNITY QUARTERLY, as well as the information bulletin ATLANTIC COMMUNITY NEWS. The results of the work of experts or "working groups" on certain problems or others are published in special publications--"Policy Papers." Specialists from various U.S. scientific institutions are enlisted to write basic works on Atlantic problems. Thus, the book of Brown University Professor E. Goodman, "The Fate of the Atlantic Community," which was written on the order of the council, was published in 1975.

The Committee for the Study of Atlantic Problems, which for a long time was one of the subdivisions of the council, but has now been formed into an independent organization, is primarily engaged in studies on Atlantic problems. The Atlantic Council and the Atlantic Institute for International Relations (Paris) jointly take care of it. This is expressed in its structural design: the committee consists of a North American section, which was set up in 1964, and a European section, which was formed in 1967. It is made up mainly of specialists in Atlantic policy matters; many of them work at scientific centers attached to American and foreign universities. Contacts between political scientists of the countries of the West are realized under the aegis of the committee.

It is worth dwelling in particular on this aspect of Atlantic cooperation, since it makes it possible to trace the mechanism of the exchange of opinions and information between scholar "Atlantists" on both sides of the Atlantic. A leading role here belongs to the Atlantic Conferences, which have been held regularly since 1970 and in which the Atlantic Council takes a most active part. Problems of "inter-Atlantic relations" in their connection with other factors and trends of international life are discussed at these conferences. The themes of the meetings of the early 1970's, for example, were "The Role of the United States in the World," "International Economic Policy: Europe, North America, Latin America," "Resources and International Policy." Various U.S. organizations and departments, which are interested in clarifying the opinions of "Atlantic circles" on certain problems or others, have acted as the organizers of the conferences. Thus, in 1974 there was convened an Atlantic Conference, which the U.S. Department of Commerce organized and subsidized; the position of corporations with respect to the crisis in the "Atlantic community" and the problem of inflation, the official positions of the United States and the countries of Western Europe on these problems were the subject of discussion. The Atlantic Council also took part in the conference.

The importance which is attached to these conferences is attested by the fact that high-ranking representatives of the U.S. Government take part in their work.

The problem of detente was first discussed at the 1976 Atlantic Conference in the FRG. The representatives of 15 organizations of the "Atlantic community," including executives of the Atlantic Council, were present at it. The continuation of the discussion on this theme also took place in 1976, but at a conference in the United States. Representatives from countries of North America, Western Europe and South America took part in the conference. Among the American participants were Z. Brzezinski as director of the Research Institute on International Changes of Columbia University, H. Cleveland as the representative of the Aspen Institute, J. Diebold, president of the Diebold Group, Inc., and Columbia University Professor R. Gardner--at that time they were all active members of the Atlantic Council.

The question "Does the West Have the Will to Survive?" was the topic of the next discussion of 1977. All its participants, among whom were representatives of the Atlantic Council of the United States, the Atlantic Councils of Belgium, Great Britain, Canada, Italy and Norway, members of the Union of English-Speaking Countries and other organizations, noted the "crisis of confidence" in the countries of the West, which was caused by "pessimism, the cynicism of young people, the feeling of dependence on the United States in the countries of Western Europe and many other factors."[4]

Another form of activity of the Atlantic Council of the United States is its participation in Congressional hearings. The representatives of the council, when speaking here, promote the point of view of the organization on one problem or another and give their recommendations. The discussion, which has been revived from time to time in the Congress during the postwar period concerning the structural make-up of the "Atlantic community," can serve as a vivid example. The members of the Board of Directors of the council were always zealous supporters of the formation of an "Atlantic federal union" headed by the United States.[5]

We should especially dwell on the participation of Atlantic Council members in the reactionary Committee on the Present Danger. H. Fowler, the previous head of the council, became its cochairman, while such active figures of the council as D. Packard, E. Rostow and P. Nitze became members of it. The participation of Atlantic Council members in the committee, which sets as its goal to oppose to detente "its own conditions of peace with the Soviet Union,"[6] attests to the presence in the council of a quite strong layer of "hawks," the advocates of a "hard line" with respect to the USSR. As was noted in the American press, "the individual members of the Committee on the Present Danger are more powerful than the organization itself. They are not at all 'right-wing fanatics' or simply schizophrenics, who hate communism intensely, and therefore it is impossible to brush them aside lightly as one brushes aside extremists. They are people who know how to manipulate power carefully and skillfully."[7] Such a description is also fully applicable to the Atlantic Council members who belong to this committee.

The council devotes the most serious attention in its research and studies to economic questions, the relations of the countries of the North Atlantic region with the developing countries, the problem of reorganizing the mechanism of governmental and intergovernmental organizations, including the United Nations, and so on. Its publications in the series "Policy Papers," which regularly appear on the pages of THE ATLANTIC COMMUNITY QUARTERLY (for example, H. Cleveland's report "World Energy Resources and the U.S. Leadership," the report of the special advisory group of the committee on trade "GATT Plus the Proposal on Trade Reform," the internal report of the special committee on intergovernmental organization and reorganization "Beyond Diplomacy: Decision Making in an Interdependent World"), attest to this.

The council is cooperating very actively with several other Atlantic organizations. This is one of the most important directions of its work. The contacts with the Atlantic Institute for International Relations in Paris, a private international organization which conducts research on questions of the relations between the countries belonging to the Organization for Economic Cooperation and Development (OECD), occupy a special place. In a certain sense the Atlantic Council is the American branch of the institute (being an organization associated with it), helps it in collecting money in the United States, as well as in disseminating and promoting book production and the publication of the series "Atlantic Papers." Moreover, it is the Atlantic Council which recommends American representatives for participation in research work, the conferences and meetings held by the institute. Since the Atlantic Institute in turn has close ties with the Institute for Strategic Studies in London, a unique link in the closed chain of similar multipurpose political and scientific organizations of the West is formed.

The council also has close ties with the NATO Association, the goal of which is to promote the fulfillment of the tasks facing the North Atlantic bloc. For a long time one of the most active figures of "Atlantism," E. Rostow, current vice president of the Atlantic Council, headed the association.

Another organization connected with the council is the American Council of Young Political Leaders. The Atlantic Council is assisting in the further development of its activity, the goal of which is the formulation and implementation of international programs on the exchange of know-how, the organization of conferences and seminars for future U.S. political and government figures. All this is enabling it to substantially influence the young generation of American political figures.

All these facts attest that in the West there is an extensive network of Atlantic organizations, which interact with each other. This enables the advocates of "Atlantism" to pursue a coordinated Atlantic policy, to keep track of the maintenance of an atmosphere, which is favorable in this sense, in the United States and in the other countries of the North Atlantic region. The Atlantic Council of the United States plays the leading role among them.

The influence of the council on the formulation of the official U.S. foreign policy line is exercised both directly and indirectly: it makes open use of the means and contacts of its members, promotes its ideas and recommendations in numerous publications and participates in all kinds of conferences, discussions and other measures. In this sense its influence can be compared with the influence which the mentioned Council on Foreign Relations has on the formulation of foreign policy.

Thus, the Atlantic Council is one of the organizations which "form opinion" and have a considerable influence on U.S. foreign policy. In this connection its activity and publications are of interest for everyday study and critical analysis.

FOOTNOTES

1. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 11, 1979, pp 122-127; Z. Shoup and W. Minter, "Imperial Brain Trust. The Council on Foreign Relations and United States Foreign Policy," New York - London, 1977.

2. "Atlantic Council Activities Report and Program Proposals: 1974-1975," Washington, 1975, p 4.

3. Ibid.

4. The materials and conclusions of the conferences are published periodically in the press and in separate publications. See, for example,

"Detente and the Atlantic Nations. Papers from 1977 Atlantic Conference," Chicago, 1977.

5. See, for example, "Atlantic Convention Resolution," Hearings Before the Subcommittee on International Organizations of the Committee on International Relations, House of Representatives, Washington, 1975, p 19.

6. THE NEW YORK TIMES, 12 January 1978.

7. NEW TIMES, 30 October 1978.

7807
CSO: 1803

JPRS 75354

21 March 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 1, January 1980

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

JPRS 75354

21 March 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 1, January 1980

Translation of the Russian-language monthly research journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

PAGE

A Historic Initiative.. 1

To Prevent Tension in Europe.. 3

United States of America: With Old Burdens into the Eighties......... 5

Material Potential in U.S. Foreign Policy Doctrine
(V. F. Petrovskiy).. 11

Strikes in the Seventies
(S. A. Yershov)... 25

Oil and America's Energy Strategy
(Yu. V. Kurenkov, K. I. Mangushev)....................... 39

Hollywood and TV: From Confrontation to Cooperation*
(N. A. Golyadkin)... 54

The United States and the UN Science and Technology Conference
(G. S. Sibiryakov, O. G. Pavlov).......................... 55

The "Nuclear Exports" Act and Its Effects
(V. F. Davydov)... 61

Business and Science
(I. N. Lesin)... 68

---

* Not translated by JPRS.

CONTENTS (Continued) Page

"As Long as We Play We Live..."*
(V. A. Voyna).. 71

The American South*
(N. T. Kaburov).. 72

The Powers that Be*
(David Halberstam).. 73

Industrial Tractor Manufacture*
(K. M. Baranov).. 74

Government Regulation of Quality Standards
(L. A. Konareva).. 75

Book Reviews
Forecasting: Methods and Applications, by V. G. Klinov.... 88
Multinationals as Political Tools, by V. Yu. Presnyakov.... 91
Oil Companies and the Government, by R. I. Zimenkov........ 92
Sports in America, by L. A. Zarokhovich.................... 93

Thomas J. Watson, Jr.--New U.S. Ambassador to the USSR............ 95

Washington's African Policy and African Studies in the United States
(M. L. Vishnevskiy).. 98

Chronicle of Soviet-American Relations............................ 111

---

* Not translated by JPRS.

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY
No 1, January 1980

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo Nauka

Place of Publication : Moscow

Date of Publication : January 1980

Signed to press : 17 December 1979

Copies : 38,000

COPYRIGHT : Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1980

A HISTORIC INITIATIVE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 p 3

[Statement by Gus Hall, general secretary of the Communist Party of the United States of America (11 November 1979 PRAVDA reprint)]

[Text] The historic proposals of General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev concerning the unilateral withdrawal of 20,000 soldiers and 1,000 tanks from the territory of the GDR and his public promise to reduce the number of medium-range nuclear missiles in western regions of the USSR, on the condition that the imperialist countries agree not to deploy new missiles, represent an unprecedented step. This is a bold step. It could mark the beginning of a process which would put an end to the threat of war forever.

The mounting militarization and preparations for war have taken a qualitatively new and extremely dangerous turn in the United States. The build-up of American naval forces in the Indian Ocean is creating a serious threat. The show of American military strength in the Caribbean was a typical example of gunboat diplomacy. The increase of 40 billion dollars in the Pentagon budget will have new serious consequences.

The plan to deploy 600 winged missiles and Pershing 2 missiles in Europe is an extremely dangerous attempt to escalate the arms race, which constitutes a direct threat to the lives of people in the Western European countries.

Reactionaries in the United States have conspired to force a new weapon on the people of the world by fraud. Illusions regarding nuclear war are the most dangerous of all illusions. The price of these illusions could be the destruction of all mankind. The expectation that the Soviet Union will limit its retaliatory strike to European regions when American missiles are launched from European territory is nothing other than self-deception. These 600 new missiles will not save the people of the United States. They will not strengthen Europe's defense.

The intensive sale of weapons to China and Japan is also raising preparations for war to a new level.

The peaceful proposals made by L. I. Brezhnev could bring about a 180-degree turn in world events. Peoples and nations must subscribe to this initiative and accomplish this 180-degree turn--a turn away from the verge of nuclear catastrophe.

8588
CSO: 1803

TO PREVENT TENSION IN EUROPE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 p 4

[Excerpts from statement by Soviet Minister of Foreign Affairs A. A. Gromyko, member of the CPSU Central Committee Politburo, at a press conference in Bonn on 23 November 1979 (25 November 1979 PRAVDA reprint)]

[Text] Those of you who are present are well aware that the plan to deploy new types of medium-range nuclear missiles in Western Europe arose some time ago in certain NATO circles. We think it would not be wrong to say that the impetus here is apparently coming from the Pentagon or circles close to it....

We will do everything within our power to prove, with the aid of the appropriate arguments, that the deployment of this weapon is not the way to achieve detente and improve the situation in Europe. On the contrary, this is a way to exacerbate the situation in Europe and escalate the arms race. This is the beginning of a new stage, a new spiral in the arms race. And this is not a matter involving some kind of plaything, but a nuclear missile.

You know that this issue was most thoroughly investigated in L. I. Brezhnev's recent speech in Berlin, at which time he categorized these plans and the position of the governments of NATO countries supporting the plans, including the FRG....

There is another important aspect of the matter which requires elucidation because I am not certain that the press representatives in this hall are keeping an eye on it. This is the principle of equality and equivalent security. When L. I. Brezhnev and President Carter met in Vienna and signed the SALT II treaty, both sides expressed satisfaction with the fact that the talks were conducted on the basis of this principle. For that matter, countless statements have been made in regard to the current approximately equal strength of the East and West. Now, all of a sudden, representatives of the Western countries, including the United States, are alleging that there is no equality, and that it will only be achieved, in their opinion, after the previously mentioned NATO plans have been carried out. I ask you: When did the American President express the actual position of the United States? Today or in Vienna? One contradicts the other. In fact, it would be precisely the implementation of the plans to deploy new types of nuclear missiles in Western Europe that would violate the power equilibrium, the presence of which has been noted dozens of times in the past by leaders of the NATO countries.

8588
CSO: 1803

UNITED STATES OF AMERICA: WITH OLD BURDENS INTO THE 1980'S

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 5-9

[Text] The world has entered the next to last decade of the 20th century. Changes, unprecedented in terms of developmental rates, have taken place in all parts of the world in the last 10 years.

The process of popular struggle for independence and national self-determination and against dictatorship and imperialist exploitation and aggression quickly took on strength.

The popular struggle to consolidate peace, to stop the arms race and to eliminate the danger of nuclear war took on unprecedented dimensions.

The entire world knows that the deciding role in the positive development of international affairs has been played, and is still being played, by the Leninist foreign policy of the Communist Party of the Soviet Union, the strength of the Soviet State and the inspiring achievements of real socialism.

The process of change did not bypass the United States either. Ruling circles in this nation took a largely new approach to world affairs just before the 1970's and in the early part of the decade. As a result of these circles' acknowledgement of the changing world balance of power, the Republican Administration officially recognized the principle of peaceful coexistence by states with differing social structures and agreed to engage in constructive talks with the Soviet Union in regard to a broad group of problems of vital importance, both to the security of the USSR and the United States and to the increased security of all nations and peoples. The era of the relaxation of international tension began.

The word "detente" acquired a prominent place in the American political vocabulary. The United States had to stop its aggression against the people of Indochina and go back home.

More important and varied agreements were concluded between the United States and USSR during the first 2 or 3 years of the 1970's than in the entire preceding history of Soviet-American relations. The most important documents were the Fundamentals of Interrelations Between the USSR and the United States, the agreement on the prevention of nuclear war, the provisional agreement on some measures in the limitation of strategic offensive weapons (SALT I), the treaty on the limitation of missile defense systems, the general agreement on contacts, exchanges and cooperation and several documents on cooperation in specific fields--for example, in the peaceful use of atomic energy, in transportation, in agriculture and in world ocean studies.

The turnabout in Washington's policy from confrontation with the Soviet Union to a willingness to promote detente, reduce the danger of war and conclude agreements on active joint or parallel steps to settle crises or conflicts transcending the bounds of bilateral relations (as, for example, in the Middle East) inspired realistic hopes that the cause of peace and stronger international security would acquire a more solid foundation than ever before. These hopes were justified all the more by the declarations of U.S. and Soviet determination to continue constructive negotiations, including, and primarily, with respect to the further limitation of strategic offensive weapons.

These extremely positive changes evoked an exceptionally favorable response from the people of the United States: After all, they were affording the broadest opportunities for the rechanneling of colossal resources to fill the needs of the civilian economy, and for the effective search for solutions to such painful domestic problems as chronic economic difficulties, unemployment, inflation, the crisis of the cities, environmental pollution and so forth.

These hopes, however, have been dealt the most severe blows. Subsequent events demonstrated the scales of the influence possessed in the United States by forces cherishing totally different hopes and aspirations. These forces, representing primarily a military-industrial complex that was swollen to excessive dimensions and the more hard-headed political and business circles, had just begun to intervene when they were faced by positive changes in the world and in the United States itself, at which time they changed their tactic to one of frenzied attacks on detente. They skillfully took advantage of such aspects of U.S. political life as the sharp exacerbation of disagreements in the top echelons of the power structure and the atmosphere of the Watergate scandal. They used every opportunity to discredit positive changes in national foreign policy in the eyes of the American public. Under the guise of worries about "national security," the "hawks" began to agitate more vigorously for the "correction" of Washington's foreign policy in a direction which was the opposite of detente.

This zealous campaign quickly produced results. The head of the reorganized Republican Administration, G. Ford, soon "withdrew" the word "detente" from circulation and set forth a "new" concept--"power-based peace and negotiation"--which quite unequivocally sounded like a declaration of the intention to make another attempt at squeezing U.S. foreign policy into the rotten framework of politics from a "position of strength."

Detente, however, had already displayed a powerful dynamic. The factors which had predetermined the vital necessity for the United States to conduct further negotiations with the Soviet Union had not disappeared either, although these negotiations were seriously complicated more than once by Washington's clearly unrealistic approach and its attempts to gain unilateral advantages at the cost of disregarding the interests of its partner in the negotiations.

Predictably, all such attempts failed. The realistic approach prevailed, even though it required around 7 years to do this. In June 1979, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev and U.S. President J. Carter met in Vienna and signed the SALT II treaty, the joint declaration on the principles and basic aims of subsequent strategic arms limitation talks and other Soviet-American documents.

In this way, Moscow and Washington appeared to have signalled once again to the entire world that the USSR and the United States intended to continue cooperating in the interest of stronger bilateral relations and international security in general.

At the same time, however, other signals, which disturbed the world, also came from Washington: The military-industrial complex and the political figures most closely connected to it closed ranks, so to speak, and threw themselves into a headlong attack on SALT II. In addition, President J. Carter himself and Secretary of Defense H. Brown hastily announced, almost immediately upon their return from Vienna, that regardless of the treaty, the United States intended to continue building up its military strength and increasing "defense" appropriations.

On the assumption that America had recovered from the "Vietnam syndrome," U.S. political and military leaders once again began to speak loudly about U.S. "commitments" in all parts of the world, about "defense perimeters" far from U.S. boundaries, and so forth. Intensive work began on programs for the development of neutron bomb components, the "MX" and "Trident" missile systems and strategic winged missiles. The military-industrial complex obviously has no reason to worry about its profits: Budget appropriations for military needs on the threshold of this decade exceeded 150 billion dollars (in current prices).

Programs for the expansion of American military presence far beyond U.S. boundaries were once again the object of heightened interest. These include the program envisaging the Western European deployment of approximately 600 additional medium-range missiles, or so-called "Eurostrategic weapons," aimed at the Soviet Union, and simultaneously increasing the danger of nuclear destruction for Western Europe itself. American military strength is being built up in the Indian Ocean (the base on the island of Diego Garcia is being enlarged and the plans for the creation of a 5th Navy, to be permanently stationed in the Indian Ocean, are being considered) and in the Middle East (the creation of a U.S. Middle East Command is already being planned), and special "rapid response" forces are being set up to perform police functions throughout the developing world. All of this is ostensibly dictated by the "need to protect the vital interests" of the United States. To make all of this even more convincing, the myth of the "Soviet military threat" has been revived.

The "Chinese card" began to be played with relish for the purpose of escalating tension on the USSR's eastern borders and making use of Beijing's anti-Sovietism in the long-range strategic plans of Washington and of NATO as a whole.

This obvious increase in Washington's military and political activity on the global scale and the ostentatious escalation of military spending--by a minimum of 3 percent in real terms, and now a 5-percent annual rate of increase is already being considered--were interpreted by many in the United States as proof of the desire to bring back the days of maximum international tension or, more precisely, the days of the cold war.

This is the nature of one of the heaviest and most dangerous burdens, both for itself and for other countries, that the United States has carried over from the 1970's into the 1980's.

"Militarization," writes prominent American economist V. Perlo, "will inflict severe damage on the American people, both in the socioeconomic and in the political spheres:

"Militarization is the chief 'motor' of inflation, which is perceptibly lowering the standard of living of the working class;

"Militarization forces the workers to shoulder a heavier tax burden and absorbs the federal funds that are so needed for social programs;

"Militarization increases unemployment, as defense production gives jobs to much fewer people than civilian production with the same cost;

"Militarization is a significant factor contributing to the decline of the dollar exchange rate in the international currency market;

"Militarization strengthens the position of opponents of trade with the socialist countries against the interests of millions of workers and many companies.

"From the political standpoint, the increasing strength of the military-industrial complex reinforces the position of the most reactionary and belligerent circles in big business, militarists and their political agents, the most dangerous enemies of the labor movement, and racists. But the most serious thing, in the final analysis, is the fact that it increases the danger of war, including nuclear war."

Under these conditions, the extremely pessimistic forecasts regarding the United States in the 1980's are not surprising. The nation's economic prospects have particularly disturbed American experts. The burden of the already chronic "recessions," inflation, the energy and ecology crises, unemployment and a multitude of other social problems is being carried over into the new decade. "In the economic sense, the last decade was fairly bad," states the business community's press organ, FORTUNE magazine, and goes on: "There has been a break with the past--the abrupt and unexpected deterioration of economic conditions. The economic illness can be seen in two increasingly alarming symptoms: galloping inflation and the standstill in productivity. As a sign of the serious disruption of the normal functioning of the economy, the deceleration of productivity growth rates is an even more alarming symptom than inflation. Without an increase in labor productivity, per capita production volume will not grow, and society will be preoccupied with disputes over how the pie should be divided.... In the 1980's we will undoubtedly witness the growth of the portion allotted for defense.... We will not see stable prices in the 1980's.... Even the maximum rate of economic growth we have reason to expect will not solve our economic problems."

The magazine admits that cuts in government spending would benefit the economy and the society as a whole, since this would mean that "more would remain for more productive needs." FORTUNE does not make any direct recommendations regarding ways of cutting federal spending. In particular, it makes no disparaging remarks about the "holy of holies"--the dimensions of arms race appropriations. Researchers from the Washington Institute for Policy Studies, however, have analyzed the federal budget and calculated that if the United States were to renounce its policy of military intervention abroad and radically reduce its overseas armed forces, the federal budget could be consistently reduced by around 54 billion dollars. And this is approximately, for instance, more than one-third of the funds required for a program, with an estimated cost of 142 billion dollars, for the development of new sources of energy, the production of liquid synthetic fuel and the development of public transportation.

The stubborn attempts of influential forces in the United States to breathe new life into the politics of strength--this heavy and dangerous burden from the past--have acquired a "boomerang effect," and not only with respect to the internal situation in the United States. This effect is becoming increasingly apparent in the foreign political and foreign economic positions of the nation. This would seem to be attested to by the wave of anti-Americanism spreading through the developing countries--in Iran, Pakistan, Libya, Turkey and many African countries. In the latter case, this is particularly due to the overt and covert support of the racists in Salisbury and Pretoria by the United States and its NATO allies.

A stronger offensive is being conducted against U.S. proteges, such as Nicaraguan dictator Somoza and Iran's shah, who have been overthrown by the people. The Pinochet regime in Chile, the Stroessner regime in Paraguay and others are tottering.

The increasing indignation throughout the world at the foreign and economic policies of American imperialism and the strengthened resolve to oppose its claims to "global special interests" are quite eloquently attested to by the results of such world forums as the Havana conference of heads of state and government of the non-aligned countries in September 1979, attended by representatives of countries with a combined population of around 1.5 billion. "The major defeat suffered by the United States at the conference," U.S. NEWS AND WORLD REPORT acknowledged, "could poison the life of Washington for many years.... We have not been able to stop the tendency toward radicalism in the movement of the non-aligned countries.... The tone of the conference was definitely anti-American... The non-aligned countries announced that the United States and Western Europe were responsible for South Africa's racial policy; they unanimously objected to the maintenance of the American Guantanamo Base in Cuba and the American economic embargo against Cuba.... They described the Camp David agreements as agreements depriving the Palestinians of the right of self-determination.... The non-aligned countries also proved conclusively that the United States and other Western powers are playing a dishonest economic game with them; they called for the establishment of a 'new economic order' which would give them a more sizeable share of world economic benefits."

The anti-American wave also engulfed the nations of Western Europe in the 1970's, when Washington tried to force them to agree to the deployment of neutron bombs on their territory. It is quite likely that this wave will reappear, and in stronger form than before, if Washington begins to deploy its "Eurostrategic" nuclear weapons in Western Europe.

During his term at Columbia University as a professor, Z. Brzezinski, now the U.S. President's national security adviser, wrote an article for FOREIGN POLICY magazine and gave it the title "America in a Hostile World."

Who are the people and what are the factors to blame for the increasing display of such feelings about the United States throughout the world?

The answer to this question is naturally a complex one. Among the factors engendering and nurturing the increasing hostility in the world toward the United States, however, the first place can most probably be assigned to the policy of more aggressive imperialist circles to make more active use of "forcible methods" in international relations and their stubborn reluctance to assist in the cessation of the arms race through action rather than mere words. This dangerous burden from the past is casting an ominous shadow over the future of the United States, and even of all mankind, which grew tired of living on mountains of weapons long ago.

8588
CSO: 1803

MATERIAL POTENTIAL IN U.S. FOREIGN POLICY DOCTRINE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 10-21

[Article by V. F. Petrovskiy]

[Text] Although it is based on the belief that military strength is of primary significance, U.S. foreign policy doctrine also attaches considerable significance to other elements of government power (economics, science, technology, ideology and diplomacy). The current foreign policy doctrine of the United States is aimed at maintaining a balance, first of all, between military strength and other elements of government power and, secondly, between these non-military elements themselves. In other words, there is the assumption that military strength should be supplemented by a complex of measures in other areas.

In view of the fact, however, that this balance is supposed to guarantee the attainment of an excessively general national goal ("survival"), there are no strict limitations on the implementation of theoretical postulates, as a result of which the equilibrium demanded by the doctrine is often violated. Moreover, all elements of government power are generally evaluated from the standpoint of their military strength potential.

Translated into practical language, the implementation of a comprehensive approach to the use of military strength and other existing resources by the United States under the specific historical conditions of the present will necessitate the fuller and more effective use of political, economic, scientific, technical and other means and a search for supplementary potential to maximize the American influence in the development of the international situation. "Although the United States," Z. Brzezinski wrote in 1975, "no longer has as decidedly favorable a position as it had at the beginning of the 1950's, it is still the key force in world politics. In fact, the current crisis has made its role more important than at any other time in the last 10 years. Therefore, the time has come to bury the cliche phrase about declining American power. The central problem today," the author went on to say, "is to redefine the means and methods of using American power in line with present circumstances."[1]

This implies the all-out, differentiated use of all elements of government power and, in particular, material potential, including economic and technological capabilities.

By virtue of quite definite class considerations, in studies by American researchers material potential is reduced to mere quantitative indicators: production levels, volumes and growth rates, the state of transportation and communications, energy and raw material resources and scientific and technical achievements. Another, equally important aspect of material potential, the qualitative aspect--the economic organization of society and its production relations, which ultimately determine the effectiveness of economic and technological capabilities, just as the goals of development and the reinforcement of material power--is ignored by American theoreticians. Telling the truth about this would be tantamount to admitting the inarguable advantages of the socialist type of economic organization, which is based on public ownership and the planned and proportional development of production.

The militarization that is characteristic of the United States is having a definite effect on material potential and creating a steady tendency toward not simply interconnection, but even the subordination of several branches of the economy, science and technology to military needs. Through the production of weapons, military equipment and other means of waging war, this potential is immediately involved in the development of military strength. For the sake of militarism, a large proportion of productive forces and scientific and technical achievements are used for military purposes, funds and resources are redistributed among branches of production and military budgets are constantly augmented. An important criterion for the assessment of material potential is now the degree of its readiness for utilization for military purposes (the maintenance of the so-called mobilization base for the safeguarding of national security), which promotes the even more pronounced subordination of the economy, science and technology to the objectives of militarization.

Adhering to the postwar line of solving not only political, but also international economic problems in the American interest, U.S. ruling circles, using the doctrine of "national security" as camouflage, have hoped to profit from the diminished material potential--as a result of World War II--of such rivals as Germany and Japan, as well as England and France, and from the economic and financial difficulties of other countries. In U.S. plans for world supremacy, a prominent place alongside military strength is assigned to America's strong economic potential, which has been considered completely unassailable and totally adequate for the accomplishment of any global superproject. In the foreign economic sphere, a special role was assigned to "dollar diplomacy," which consisted in the offer of financial and economic assistance and loans on exorbitant terms to other countries and the imposition of financial control.

The spearhead of all of the measures taken in the sphere of international economic relations as part of the system of national security was pointed at the Soviet Union and other socialist countries. The "Marshall Plan" had quite obvious anti-Soviet aims, and 13 of the 16 countries involved in it became members of NATO. As early as 1947, economic sanctions were instituted in trade with the USSR, and in 1951 Washington canceled the Soviet Union's most-favored-nation status. In 1964, at a conference on national security organized by Georgetown University, J. Schlesinger, then the head of the RAND Corporation's economic division, expressed the opinion that trade and the offer of assistance were only expedient as long as they ensured a "strategic return" and that the United States should develop "the concept and machinery of intimidation" in economic policy, "similar to intimidation in the military sphere," for the purpose of "winning direct support for American foreign policy goals."

It is true that Schlesinger believed that the use of trade as a means of intimidation (threats of "no more access to Western markets") would be particularly effective in relations with developing countries. As for the socialist countries, he disagreed with other speakers at the conference who were agitating for a trade boycott, asserting: "To keep this threat alive, we must, however, continue trade in considerable volumes with other countries, including the communist nations."[2] At the same time, he categorically objected to the extension of credit to the Soviet Union, even though his own recommendation concerning "continued trade in considerable volumes" was absolutely impracticable without this credit.

In their present evaluation of the role played by the material factor in global strategy, U.S. ruling circles must give consideration to the changing conditions of the political implementation of their country's economic and other material capabilities.

The intensification of inter-imperialist conflicts, the mounting economic difficulties in the capitalist world and the development of the currency and energy crises not only concealed the groundlessness of Washington's postwar expectations of a coming "era of American economic and currency hegemonism," but also shattered the myth of the unassailability of U.S. material potential and demonstrated its dependence on foreign sources, particularly in the case of raw materials (oil and gas) and the overwhelming majority of mineral resources (with coal and phosphate the only exceptions). The belief in U.S. ruling circles, however, is that the United States is still the "currency leader," having the most overseas investments (around 150 billion dollars) and sufficiently impressive economic potential. To corroborate the opinion concerning "sufficiently impressive economic potential," government experts are underscoring the United States' "leading" position in the export market of the capitalist world (although the United States exports a smaller portion of its gross product than the FRG, Japan and France, it accounts for 13 percent of all exports) and point out the United States' leading position in the West in the incorporation of scientific and technical achievements in industry and agriculture.[3]

Washington must nonetheless take the changes in the U.S. position in the world capitalist economy into account. Many American authors who have evaluated U.S. economic potential have remarked in connection with this that the proportion accounted for by the United States in world industrial production has decreased from almost 50 percent after World War II to less than 30 percent at present. American leadership in the area of science and technology has been noticeably challenged by the FRG and Japan recently and the United States is beginning to lose its leading position in per capita income to some of the Arab states and such Western European nations as Switzerland, Sweden, Denmark, the FRG and France. Economists have pointed out, in addition to the apparent American dependence on foreign sources of raw materials, the low level of economic growth (4-5 percent a year), the fact that 30 percent of the patents registered in the United States have been issued to foreigners, and the inflation and unemployment that are still crippling the nation.

Although they express concern over these matters, almost all American authors believe that the use of existing economic strength will provide considerable opportunity, even under present conditions, for the resolution of international problems in the class interests of the American bourgeoisie under the guise of safeguarding the same old national security interests. Stressing the close relationship between military and economic strength in foreign policy, some authors adhere to the traditional view that the only function of the economic factor is to reinforce military strength. Others insist on the independent significance of the factor of economic power.

American political influence in today's world, according to, for example, [illegible] eminent American political scientist S. Brown, "can be achieved not through the use of armed forces, which, in comparison with other elements of national strength, could have negative consequences when non-military decisions are made, but through the energetic use of finance, economic and technical assistance and the creation of various multilateral coalitions for the resolution of the urgent problems of the day."[4] Even General M. Taylor, a zealous supporter of military strength methods, complains that the United States has been "too stingy" in the use of means of economic influence: loans, grants, economic aid, tariffs and the economic boycott.[5]

Statements of this kind reflect acknowledgement of the erosion of the cold war mentality, the restriction of parameters for the use of force and the need to give more attention to problems that are not directly related to the national security interests which have been exaggerated so much in the past. At the same time, they represent an attempt to turn economic leverage into a major means of attaining foreign policy goals. This has called for the development of "economic diplomacy," the purpose of which, according to S. Huntington, its chief theoretician, consists in turning trade and economic leverage into an effective instrument of the "stick and carrot," which is aimed at the acquisition of unilateral advantages for the United States, not only and not so much in trade and economics as in the political and military spheres.[6] The United States should implement, he teaches, the "principle of conditional flexibility" in its trade with the

USSR, in accordance with which changes in the volume and nature of U.S.-Soviet economic relations will result from progress in the attainment of American security-related political goals. In other words, "commodity exports can be cut off or resumed, depending on the willingness of the Russians to cooperate with the United States, whether in Angola or in SALT."

In July and August 1978, Huntington, as a top-level NSC official, launched a frenzied campaign to prohibit the sale of bits for oil derricks produced by Dresser Industries to the Soviet Union, relating this to actions taken by the Soviet court regarding the unlawful activities of some persons hostile to the Soviet order, including paid agents of Western special services. In a NEWSWEEK interview, Huntington asserted that Moscow had no other choice but to buy modern American equipment (for example, the Dresser firm's derrick bits). The United States should utilize this kind of leverage, he said, even though the cooling of U.S.-Soviet relations could be inconvenient for U.S. firms. "If war is too important to be left up to the generals, then trade is also, without question, too important to be left up to the bankers and businessmen,"[7] he declared.

The logic of "economic diplomacy" is actually impeding the development of commercial contacts on various artificial, hypocritical pretexts and, in some cases, is canceling bargains that have already been concluded, breaking signed contracts and ostentatiously severing connections in science, technology and other areas. Government control has been established over deliveries of some types of equipment with no immediate military import.

As General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev stressed in his speech before participants in the Sixth Session of the American-Soviet Trade and Economic Council, when he made comments in reference to the intention of some U.S. circles to regulate trade and economic ties depending on their moods or on the current political situation, "with respect to the Soviet Union, this approach has never benefited anyone and never will. Attempts to exert pressure of this kind will only introduce the element of instability into trade and economic relations between our countries and cast suspicions on the reliability of the United States as a trade partner."[8]

It is indicative that an authoritative international group of economists, representing the United States, Canada, Western Europe and Japan, issued a report in October 1978 which actually denied the possibility of using trade, particularly the export of technology, as a "means of pressure" by the West on the nations of the socialist community. In the first place, the report stated, the technology needed by the East is usually accessible in many countries and, in the second place, this tactic could have negative consequences for its initiators. "The Soviet Union has proved that it can not only compete with the West, but also surpass it in many important areas. There is nothing that the USSR does not have or could not produce if it deemed it necessary," the study said.

The same kind of warnings were issued by the U.S. Foreign Trade Council, the largest organization of American exporters and importers.

In view of changing conditions, U.S. ruling circles feel that it is not enough to rely only on economic potential. They have advocated that another component of material potential--science and technology--be assigned equal importance in global strategy.

Special emphasis is laid on the significance of science, which is taken to signify all of the social and natural sciences, in the sphere of foreign policy. Stating that until recently "science has been a forgotten area in foreign policy," American political scientist R. Wesson, for example, states that, if properly used, "it will serve America better in many respects than military strength and economic potential." Naturally, Wesson interprets "service to America" as the satisfaction of the narrow class interests of the ruling top echelon. His interpretation of the role of the scientific factor corresponds to this. In the first place, the status of American science could supposedly reinforce the "irrefutability" of American claims to leadership; in the second place, the development of scientific contacts could supposedly be effectively used for subversive activity in the socialist countries.[9]

The active incorporation of science in foreign policy would provide opportunities, according to American authors, for the extensive use of new, non-traditional instruments of strength as "leverage"--aid in the form of technical assistance and food, managerial knowhow, leadership in space and ocean studies, electronic equipment and so forth. The effectiveness of this use of material potential as a whole and its individual elements for political purposes is being directly connected more and more in American foreign policy engineering with the adaptation of the technological revolution to the needs of U.S. global strategy. In American political terminology, this revolution is generally referred to as the technological factor.

Technological progress as an important means of consolidating material potential was also being taken into account during the cold war. Since the time of Harry Truman, each new administration has made a massive effort to use the technological factor effectively in the U.S. interest in world events. During the cold war, however, the technological revolution was actually equated with military technology, as a result of which the most obvious effects of this revolution were seen in U.S. military policy for a long time.

It is widely known that the U.S. practice of placing scientific and technical achievements at the service of aggressive military and political aims during the cold war not only resulted in a fundamental reversal in military technology, strategy and tactics, but also had a considerable effect on the sphere of sociopolitical relations. Nuclear weapons--the most devastating of all means of mass destruction--began to play a significant role in the political and even the diplomatic struggle. The nuclear weapon has essentially no military history (the atomic bombs dropped on Hiroshima and Nagasaki were used more for political than military purposes), but it already has a fairly rich and diverse political history. As French military historian C. Delmas has noted, all international life after World War II developed "under the shadow of the nuclear threat, and was directly influenced by it."[10] There is no question that the nuclear factor has acquired exceptional significance in the entire system of postwar international relations, has radically changed many traditional beliefs and ideas about foreign policy activity and has given a new logic to the nuclear space age.

The development and improvement of modern strategic weapon systems, which were made possible by the technological revolution, and the directly related evolution of the global balance of power have always served as a point of departure for U.S. foreign policy-making at different times since the end of World War II. American military and foreign policy doctrines have been elaborated, implemented and consigned to oblivion with consideration for this point.

The buildup of weapons in the United States has taken on gigantic dimensions. Analyzing the process of the unprecedented escalation of the arms race, many American researchers, bypassing the question of the sociopolitical causes of this race, are even trying to identify the basic stages of the technological revolution in the United States in the postwar decades with corresponding qualitative "advances" in the development of military equipment or the main stages of the military technical revolution: the development of nuclear devices, aviation and missile means of delivering nuclear charges to targets (the appearance of the strategic nuclear missile), the comprehensive automation of means and methods of troop control through the use of computers in the armed forces, etc.

It is indicative that the escalation of American imperialist aggression in Indochina, which involved the American people, in the beginning of the 1960's, in the longest bloody war ever waged by the United States outside its boundaries, developed parallel with the processes of the technological revolution. The United States made an obvious attempt to utilize its success in the area of weapon improvement, made possible by the technological revolution, for the purpose of military victory. Vietnam became a veritable testing ground for modern methods of warfare and the latest types of weapons, including poisonous gas, chemical defoliants, napalm and large-tonnage bombs of the latest kind. The Belgian magazine POURQUOIS PAS? once correctly noted that the United States discovered a "new type of war" in Vietnam, "resembling some kind of science-fiction nightmare. Electronics, increasingly 'automated' mass air raids, new fatal devices: The United States is inventing a new kind of war, push-button warfare, aseptic, remote-control, a war overseen by the protagonist (either military or civilian) on a computer screen."[11]

The failure of American imperialism's Vietnam policy demonstrated, in particular, the groundlessness of the hope of obtaining military and political advantages with the aid of the latest scientific and technical devices in a struggle against the large-scale social movements of the day.

In its present approach to the technological revolution, the United States is not limiting itself to its application in only the sphere of military policy. The sphere of application is now much broader--the technological revolution is to be utilized in its entirety for the reinforcement of government power and, in particular, military and material potential, for the purpose of implementing U.S. global strategy under new conditions.

Reactionary circles, however, are still assessing the significance of the technological revolution strictly from the standpoint of its military results. A study published in May 1978 by the "American Council for World Freedom" and entitled "The Strategic Measurement of East-West Trade" states that "the technical strength of the United States is the key to our ultimate survival as a nation" and explains that "the most important element of our containment strategy will be the maintenance of military superiority through the use of progressive technology in a number of key branches."

Various aspects of the technological revolution, its essence and content, and the nature and possible consequences of its effect on different socioeconomic systems are still the subject of heated debates, reflecting a conflict of the interests of various classes, social strata and groups.

By assigning science and, in particular, technology unrelated social functions, bourgeois ideologists are denying the Marxist interpretation of the nature and content of the technological revolution and the Marxist assessment of its structure and socioeconomic and international consequences. Many bourgeois authors are striving to "technicize" social processes and give them a "technotronic" interpretation by contrasting the technological revolution to the social revolution and liberation movement. Others have attempted to dilute the technological revolution in the general concept of scientific and technical progress and, whenever possible, to reduce the revolutionary turnabout in science and technology to an evolutionary process.

In their assessment of the technological revolution's influence on international relations, the majority of American bourgeois theoreticians of international relations (Z. Brzezinski, C. Haskins, E. Skolnikoff, M. Bundy, W. Kintner, N. Padelford, J. Lincoln and others) take a stand of technological euphoria. They proclaim scientific and technical progress to be the "basis of 20th-century civilization," an independent variable with a positive effect on the structure of individual states and the international system as a whole, particularly with respect to the promotion of stabilization.

Favoring the vigorous inclusion of the technological factor in U.S. foreign policy strategy and tactics, these authors maintain that the primary objective is the guaranteed scientific and technical supremacy of the United States, which they equate with the national interest. American theoreticians are now attaching even more significance to the guarantee of this superiority, as the increasing military and economic strength of the USSR has sharply reduced the possibility of using force in confrontations with socialism in the military-political sphere. Economic and technological hegemony is associated with the hope of strengthening the United States' shaky international and military-political positions.

The ideas and assumptions of technophiles in the 1970's[12] were most clearly expressed in "The Republic of Technology," a book by renowned American historian D. Boorstin.[13]

According to Boorstin, a cosmopolitan "republic of technology," with no political, language or religious barriers, has already taken shape on our planet. A closer inspection of this "republic of technology" shows that it is not only constructed according to American blueprints, but it is also--and this is the main thing--theoretical justification for U.S. ruling circles' desire to establish American leadership by entangling all other nations in bonds of dependence on the United States. "The greatness of the United States," Boorstin declares, "is not due to its huge dimensions, but a new type of community. New bonds unite the Americans and attach them to the rest of the world, and the entire world to America. I call this community the republic of technology."

In an attempt to prove the irrefutability of U.S. claims to scientific and technical superiority, the author calls the "founding fathers" of the United States "pragmatic technologists" and interprets the seizure of American territory by European refugees as a quest "not for a citadel, but for a laboratory." This implies that the entire history of American civilization is a history of experimentation, particularly in the area of science and technology. The social essence of the "republic of technology" is examined in precise detail. Its highest law is universal material and spiritual convergence. It has another characteristic feature. Although Boorstin declares that technological triumph is unlimited and that America can do much in this respect, including in the field of politics, he remarks that the only field in which human achievements are limited is connected with the choice of political prospects. In other words, capitalism, in Boorstin's opinion, is absolutely inevitable.

Some American theoreticians (J. Von Neumann, H. Morganthau, H. Kahn and others) have not expressed the same delight with this. These theoreticians take a pessimistic view of the intrusion of the technological revolution into the sphere of international relations. In their opinion, uncontrolled technological progress could create a technological hell, in which man could be completely deprived of work, personal life and even human dignity. They use the same gloomy tone to describe the influence of the technological revolution in the sphere of international affairs (the heightened prospect of nuclear war, the world food crisis, the energy crisis and so forth). These theoreticians believe that changes in the world structure brought about by the technological revolution could, if the influence of the technological factor is observed objectively, give rise to a tendency toward the permanent absence of stability in international relations and thereby increase the possibility of various types of conflict.

For example, J. Von Neumann states that the development of the technological revolution could bring about the collapse of many "established political institutions" and give rise to "instability" as a qualitatively new characteristic of the world system.[14] Morgenthau also believes that scientific and technical discoveries, particularly in the military field, could "literally within a night" advance new states to the fore and make the global balance of power extremely unstable.[15] Noting the contradictory effects of the technological revolution on international relations (on the one hand, this revolution is aiding in the "technological unification of the world," while on the other it is making mutual understanding more difficult), Morgenthau calls the last tendency the main one. "Modern technology," he states, "has not only made it technically possible for people to communicate with one another regardless of geographic distances, it has also given governments and private agencies the ability to withhold information when necessary."[16]

The approach of these theoreticians indicates a particularly noticeable desire to transfer the blame for negative tendencies in international relations from the imperialist powers, whose policy has served, and is still serving, to impede the establishment of lasting peace and the achievement of mutual understanding between peoples, to the appearance and influence of the technological factor in the sphere of international relations.

This kind of "technophobia" represents a unique reaction to the abnormalities arising from the use of the achievements of the technological revolution under the conditions of the capitalist system. This theoretical train of thought, which seems to be diametrically opposed to the "utopian," parallels the latter whenever the question of assessing the significance of the technological factor arises. There are no diverging opinions here.

In essence, all American bourgeois theoreticians believe that the technological revolution should be used to strengthen U.S. government power. They see the technological revolution as an essential condition for the development, functioning and interaction of military strength and material potential.

The same kind of unanimity is encountered in American theoretical studies of the methods and means by which scientific and technical achievements should be used in U.S. global strategy. Bourgeois foreign policy thinking in the United States must include recognition of the fact that postwar international relations have tended to evolve into a complex and multisectorial set of political, military, economic, scientific, technical and ideological intergovernmental connections. Some aspects of these relations, primarily the military, economic, scientific and technical spheres, have been most influenced by scientific and technical progress. The technological revolution has led to the appearance of new spheres of international cooperation in the peaceful use of nuclear power, outer space and the achievements of space flight technology and in the development of world ocean resources. The technological revolution has greatly promoted the development of scientific and technical contacts between states. Policy in the field of scientific and technical contacts has now become an important aspect of all foreign policy activity by leading industrial states.

The natural and logical conclusion to be drawn from all this would seem to be that the resolution of the global problems facing mankind, such as the need for the further penetration of scientific and technical thinking into the mysteries of the nucleus, the exploration of outer space and the world ocean for peaceful purposes, the protection of man's environment, the fight against disease and hunger, the provision of mankind with the necessary energy resources and so forth, objectively calls for broad-scale scientific and technical cooperation between states with differing social structures.

American bourgeois foreign policy thinking, however, is guided by the political and ideological considerations of confrontation with the socialist states and prefers to limit cooperation with the socialist states by artificially keeping it within the narrow bounds of scientific and technical contacts, preventing their development in some spheres and making this cooperation conditional upon demands that are unacceptable to the socialist states in other spheres.

The frequent comparison of scientific research and design projects in the USSR and United States reflects a new line of reasoning, to which the creators of the myths about the "Soviet threat" have resorted more and more in recent years. No longer satisfied with the falsification of statistics (defense budget figures, the Soviet "bomber breakthrough," followed by the Soviet "missile breakthrough," and so forth), anti-Soviet propaganda is now frightening the Americans with references to the Soviet Union's "revolutionary discoveries" in the area of military technology, which will "radically change the overall military balance in the USSR's favor" in the future if the United States does not make a similar effort.

The talk about the danger of a "potential technological breakthrough" by the USSR is backed up by the quite definite opinion that U.S. scientific, technical and economic ties with the Soviet Union must be limited.[17] This approach coincides with the view of cold war apologist H. Jackson, who has stated that the development of Soviet-American cooperation would be tantamount to "bleeding the United States dry," but he is obviously ignoring the lessons of history.

In the past, particularly in the first postwar decades, the United States, which had established itself as the main center of the capitalist world in terms of the development and transmission of modern science and technology, tried to prevent scientific and technical contacts between the Soviet Union and the West in the hope of slowing down the development of the USSR. This hope turned out to be unfounded. The technological and economic potential of the Soviet Union constantly grew. Experience proved that it was necessary and expedient for the United States to cooperate with the Soviet Union in trade and economics, corroborating the view that no single nation, regardless of how powerful and highly developed it might be, can survive without participating in international cooperation in this sphere.

In its practical affairs, the present Democratic Administration of J. Carter is using the technological revolution, in exactly the same way that the preceding administration did, as a means of strengthening U.S. material potential and as a political instrument. In the 1978/79 fiscal year, appropriations for science rose 10.9 percent (5 percent if the effects of inflation are taken into account). The foreign economic line of the United States is also constructed with consideration for extensive use of the technological factor, the abundant American experience in the organization and management of production, for the reinforcement of U.S. international positions and the attainment of economic and political goals. An important feature of the American foreign economic line is its present close relationship to foreign policy. This line actually serves as an extension of U.S. foreign policy, an instrument for the guarantee of U.S. monopoly influence in overseas sales and raw material markets.

The technological factor is being taken into account by the current administration not only when decisions are made on specific foreign policy issues, but also in attempts to restore the international prestige of the United States, which has been undermined by a multitude of adventures and scandals, and to insure its role as "moral leader" in today's world.

The history of interrelations between the two major powers in the scientific and technical sense--the United States and USSR--conclusively demonstrates that, in spite of the differences in their social systems, their opposite ideologies and their fundamental disagreements on several political issues, there are certain objective factors that are making it necessary for both states to act in such a way as to eliminate the danger of world war and raise bilateral cooperation in various fields, including trade and economics and science and technology, to the high level the two powers have reached in the economic, scientific and technical development.

Stressing the specific features of Soviet-American relations under the conditions of the technological revolution, L. I. Brezhnev notes: "The Soviet Union and the United States are nations which, as they say, could get by on their own," but "the refusal to cooperate in the economic, scientific, technical and cultural spheres would mean the rejection of considerable additional benefits and advantages each side could obtain."[18]

There is no question that the technological revolution is one of the significant factors influencing U.S. foreign policy-making. Buoyed up by their scientific and technical superiority, U.S. ruling circles are striving for hegemony in the capitalist world, are engaging extensively in foreign economic expansion and are trying to establish relations with other countries which would turn these countries into their dependants. The United States has displayed a quite definite and striking tendency toward the use of its scientific and technical potential to exert political pressure on other countries.

At the same time, it is not only external conditions, distinguished in particular by mounting inter-imperialist conflicts and the decisive influence of the main revolutionary forces of the day, but also the peculiarities of the U.S. sociopolitical structure that are imposing certain restrictions on the possibility and permissibility of the expansionist aims of U.S. ruling circles.

In turn, the technological revolution is largely responsible for some far-reaching and unfavorable consequences for capitalism that are objectively necessitating the revision of a number of Washington's policy guidelines. It was precisely the technological revolution that necessitated some new approaches in U.S. foreign policy and strengthened tendencies which are stabilizing the international situation.

Naturally, it would be an example of extreme oversimplification if a direct connection were to be drawn in every case between the processes of the technological revolution or technological achievements, on the one hand, and the U.S. approach to certain specific international issues on the other. In some cases the technological revolution has a more definite and clear effect on U.S. foreign policy, with the interconnection lying "on the surface." In other cases, this revolution has an indirect, or mediating effect on politics. It is clear, however, that one of the characteristic features of the present era is nonetheless the fact that science, as even Americans have acknowledged, is "meeting up" with politics more and more frequently.

As the history of American foreign policy since World War II demonstrates, the mere plan to utilize the "technological factor" cannot serve as a means of solving the problems encountered by foreign policy. In the final analysis, everything will depend on the particular goals that are being pursued with the aid of the technological revolution.

FOOTNOTES

1. THE NEW YORK TIMES MAGAZINE, 14 April 1975.

2. "National Security: Political, Military and Economic Strategy in the Decade Ahead," N.Y., 1964, pp 687-688, p 745.

3. See, for example, F. Bergsten, G. Bertoin and K. Mushakoji, "The Reform of International Institutions," Report of the Trilateral Task Force, N.Y., 1976, p 11.

4. S. Brown, "The Changing Essence of Power," Wash., 1973, pp 288-289; Idem., "New Forces in World Politics," Wash., 1974, p 185.

5. M. Taylor, "Swords and Plowshares," N.Y., 1972, pp 419-420.

6. S. Huntington, "Trade, Technology and Leverage. Economic Diplomacy," FOREIGN POLICY, No 32, Fall 1978, pp 63-80.

7. NEWSWEEK, 18 September 1978, p 17.

8. PRAVDA, 7 December 1978.

9. R. Wesson, "Foreign Policy for a New Age," Boston, 1977, pp 139-140.

10. C. Delmas, "Histoire politique de la bombe atomique," Paris, 1967, p 8.

11. POURQUOI PAS?, 6 January 1972.

12. In the 1960's the idea that "the first state to work out a strategy involving technological supremacy will hold the key to decisive political and military superiority" was expressed by W. Kintner, Z. Brzezinski and others (see "Politics and International System," Philadelphia, 1969; Z. Brzezinski, "Between Two Ages: America's Role in the Technotronic Era," N.Y., 1970).

13. D. Boorstin, "The Republic of Technology," N.Y., 1978.

14. "Politics and International System," pp 246-247.

15. H. Morgenthau, "Truth and Power," N.Y., 1970, p 233.

16. H. Morgenthau, "Politics Among Nations," N.Y., 1973, p 253.

17. J. Collins, "American and Soviet Military Trends Since the Cuban Missile Crisis," Wash., 1978.

18. L. I. Brezhnev, "Leninskim kursom" [Following the Leninist Course], vol 4, Moscow, 1974, p 171.

8588
CSO: 1803

STRIKES IN THE SEVENTIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 22-33

[Article by S. A. Yershov]

[Text] The events of the last decade once again quite clearly demonstrated the American working class' determination to wage a struggle for the improvement of its socioeconomic status. The strike movement remained one of the chief sectors of the overall confrontation between hired labor and capital. To a great extent, it was precisely the huge scales of this movement, its purposeful nature and its variety of tactics that prevented the bourgeoisie from forcing the workers to shoulder the entire burden of the economic disorders now afflicting the nation.

The Mass Scale

The number of participants in overt class battles is an indicator of fundamental significance in the analysis of the strike struggle. On the whole, this indicator reflects the scales of the workers' dissatisfaction with the results of monopoly domination. The dynamics of this indicator, in turn, reflect changes in the social base of the labor movement and testify to the ability of the working class to mobilize forces for the protection of past gains.

The number of strikers naturally depends on the total size of the army of hired labor. All other conditions being equal, the number of strikers will tend to rise as the number of persons employed in the capitalist economy rises. Due to certain circumstances of a socioeconomic and political nature that have taken shape in the United States since the end of the war, however, the symptoms of this tendency can only be discerned over the long range. Between 1950 and 1959, 21.9 million people went on strike in the nation, there were 18.1 million strikers in the next decade, from 1960 through 1969, and around 23 million went on strike in the 1970-1979 period.[1]

The beginning of the 1970's was marked by a sharp increase in strikes: The number of strikers in 1970 reached 3.3 million, and the figure was the same in 1971. Then it decreased, and in 1978 the number of strikers was almost only half as high--1.6 million blue- and white-collar workers.

At the same time, an increasingly noticeable place in the struggle of the American working class was taken over by large-scale demonstrations--with more than 10,000 people participating. There were 72 such strikes in the United States in 1960-1964, 132 in 1965-1969, and 133 in 1970-1974. Although there were not that many large strikes in a percentage relationship to the total number of demonstrations in the nation, the average annual proportional figure of workers participating in these was 28.8, 33.3 and 38.5 percent of all strikers, respectively, during the 5-year periods listed above.

The tendency toward growth in the scales of strikes would seem to be the opposite social side of the ongoing process of production concentration in the United States, as a result of which small and medium-sized companies go bankrupt after failing to survive the competition, and monopolies establish giant enterprises. At these enterprises, new methods of labor organization are used more widely, which results in the dismissal of some workers and the intensification of the labor of others, and therefore compounds the reasons for their dissatisfaction.

Large-scale strikes are generally conducted by American labor unions at the time when collective contracts are to be renewed. In the electrical engineering industry, for example, only once in the 14 years between 1963 and the end of 1976, in 1973, did the workers have no reason to call a strike when their contracts came up for renewal. In the automotive industry there has been no exception to this rule in the last 15 years; moreover, in 1976 the workers at all enterprises of the Ford Motor monopoly, actively supported by the majority of engineering and technical personnel, went on strike for around a month when their contract came up for renewal. It was not until 1979 that the automobile workers union, with its 1.5 million members, was able to negotiate a labor contract without resorting to a strike. Fearing a mass-scale demonstration by the workers and the prospect of huge losses, the General Motors monopoly decided to make concessions and signed a 3-year contract, the provisions of which will cover 450,000 persons employed at its enterprises.

In 1964-1976 six contracts were signed with the leading monopolies in the field of agricultural and road machine building--Deere, International Harvester and Caterpillar--and in all these cases the union organized major strikes. Six massive strikes between 1958 and 1978 were organized for the same reason by warehousemen and teamsters, and one of them--in 1976--involved more than 250,000 people. A particularly lengthy and fierce struggle accompnied contract renegotiations in the oil refining industry: In 1973 a strike at enterprises of the Shell Oil monopoly lasted 4 months, and in 1975 the workers of the Gulf Oil corporation went on strike for 3 months. Blue- and white-collar workers at main enterprises of the "big four" monopolies in the rubber industry--Uniroyal, Goodyear, Firestone and Goodrich--were on strike for 4 months in 1976.

The 110-day strike by 180,000 miners at the end of 1978 and the beginning of 1979 became a noteworthy event in the U.S. labor movement. This was the largest and longest class conflict in the national coal mining industry in the last 30 years.

The wave of large-scale strikes did not ebb even at the height of the crisis in the mid-1970's, when the number of participants in such demonstrations, aroused by dissatisfaction with the collective bargaining terms offered by employers, represented 27.2 percent of all strikers in the nation. These demonstrations were the reason for 24 percent of all losses of work time in connection with strikes. Large-scale strikes occurred in many parts of the nation and took in entire big cities and whole states. Some strikes (for example, that of United Airlines workers) assumed nationwide proportions.

In all, 11,100 strikes, participated in by 4.5 million people, were recorded in the United States during the crisis years of 1974 and 1975. This represented a respective rise of 7 percent and 12 percent over the pre-crisis years of 1972 and 1973 (10,400 strikes and 3.9 million strikers).

The increase in the scales of the strike struggle at a time of economic crisis is one of the more remarkable features of the American workers' class struggle in the last decade. As a rule, under the conditions of high unemployment, which is generally accompanied by recessions in industry, workers refrain from demonstrations and postpone them until "better times" come along, fearing repressive actions on the part of employers. The fact that many unions went against this "tradition" in spite of an unemployment figure of 8 million attests to their increasing determination to defend their interests even under extremely unfavorable conditions.

The most energetic strikes in the last decade, just as in previous years, were held by factory and plant workers. Workers employed in branches of the processing industry accounted for more than 40 percent of all demonstrations between 1970 and 1980; they represented the same percentage of total strikers. The drop in these indicators since 1950 (when they were approximately 56 percent and 60 percent respectively) is partially due to the general reduction in the proportion accounted for by the processing industry during this period in the total employment figure (from 33.7 percent to 23.9 percent), but the main reason lies deeper--this is the new strike tactics of the working class nucleus, which will be discussed below.

Most of the striking factory and plant workers were concentrated in the leading branches of the processing industry--transportation, electrical engineering and general engineering, metallurgy and metal working (these workers represented 45.7 percent of all persons employed in the processing industry in 1979 and around 11 percent of all persons employed in the non-agricultural sphere of the American economy). On the average, more than 50 percent of all strikers in the processing industry in the 1970's belonged to these subdivisions--key subdivisions from the standpoint of the scientific, technical and economic development of all industry. Intensive strikes in branches that are simultaneously large consumers and suppliers of products for many sectors of the economy generally cause a chain reaction of production cuts in directly and indirectly related subdivisions. The mere threat of this sometimes compels employers to agree to certain concessions in negotiations with labor unions in these and related branches.

At the same time, another aspect of the strike struggle in the leading sectors of industry is the power of the example. The working class is more highly organized in these key branches, and this makes conflicts with employers particularly fierce. This stimulates demonstrations by other groups of workers, and the results of strikes serve as a point of departure for the issuance of demands by these other groups when contracts come up for renewal.

The extensive participation of factory and plant workers in the strike struggle is a factor of great social significance. Qualified specialists make up an impressive proportion of production personnel in U.S. industrial enterprises, and the proportion accounted for by them among blue-collar workers is constantly increasing: It was 33 percent in 1950, 35 percent in 1960 and close to 40 percent in 1978.[3] The average indicator of the educational and professional training of this segment of the U.S. working class has exceeded 12.5 years, and the wages of these workers are among the highest for workers engaged primarily in physical labor. Capital's emphasis on the increased exploitation of primarily skilled manpower is arousing the appropriate reaction in the hired labor force.

Another noteworthy tendency in strikes by American workers is the constantly increasing participation of service employees. Since this is where an increasing proportion of the national labor force is concentrated, there has also been a rise in numerical indicators of workers in branches of non-physical production who are dissatisfied with their socioeconomic status. Whereas they accounted for 21.9 percent of all strikes and 21.8 percent of all strikers in 1960, these indicators exceeded 30 percent in both cases by the end of the 1970's.

This fact deserves special attention because laws are still in effect in the United States which prohibit strikes by workers in the public sector and, in particular, civil servants. The wave of strikes by civil servants is mounting despite all of the restrictions on their right to strike: Around 102,000 government employees participated openly in demonstrations between 1965 and 1970, and the figure more than doubled in the 1970-1974 period, reaching 210,000. The scales of these demonstrations have also grown: The average number of strikers per strike during the first of these 5-year periods did not exceed 500, but in the next one it was 600.

A characteristic feature of the class struggle in the United States in the last decade was the combination of direct strike action by the working class with mass general democratic demonstrations by workers, which were organized on the scale of individual cities, counties and states, and often on the nationwide scale. These expressions of social dissatisfaction took the form of "protest days" and "protest weeks," and marches to the nation's capital, Washington, during the course of which work stoppages of varying duration at enterprises and institutions were supplemented by mass meetings, demonstrations, marches and the submission of petitions to representatives of government organizations.

At first glance, the strikers' demands do not always coincide completely with the slogans of mass movements in the United States. The organizations heading these movement, the National Organization for Social Security Justice, the National Council of Senior Citizens, the National Renters Organization, the Movement for Economic Justice, the Movement for National Priority Review and many others on the local, state and national level, set forth their own specific platforms. But the realization of these will ultimately be in the interests of the general working public, since they raise such social issues as the need for better pension security, health services, education, housing construction, material welfare and so forth. Even the partial resolution of these problems will objectively aid in the improvement of general socioeconomic conditions for all workers, as far as this is possible in the capitalist society.

The convergence of the interests of the labor movement and mass social protest currents is of great significance from the standpoint of the maturation of necessary prerequisites for radical social reform in the future. As V. I. Lenin stressed, despite the fact that various social strata become involved in active struggle by virtue of circumstances and inevitably bring their prejudices, and sometimes even their reactionary fancies, weaknesses and errors, with them into the struggle, they nonetheless collectively oppose a common enemy--capital.[4]

The leading role in setting general and particular objectives in the labor movement belongs to the working class. To a considerable degree, it also influences the development of currents associated with the class struggle. This is due to the fact that it is the working class that bears most of the burden of capitalist exploitation. It is the working class that is more aware than other social strata that its position in the system of capitalist production relations and all bourgeois society as a whole does not correspond to its level of qualitative perfection and its decisive position in the production sphere. The development of events has shown that the central front of the class struggle--the strike movement--is supplemented in time by the expanding flanks of mass democratic currents.

The serious changes, brought about by the technological revolution, in the professional makeup and qualifications structure of the labor force, just as the economic defects of capitalism, contrary to all the expectations of bourgeois ideologists, did not alienate different segments of the labor force from one another, but even brought them closer together. Broad social strata of workers, united by their common desire to preserve and expand existing gains, are becoming increasingly concentrated on the same side of the class barricades.

Changes in Tactics

The effectiveness of strikes depends largely on the strikers' correct choice of means of exerting pressure on employers. The more than 100-year history of the organized labor movement in the United States has proved that the workers are up against an experienced and subtle class enemy, the bourgeoisie, which will unhesitatingly, whenever necessary, utilize a great variety of methods to stifle mass demonstrations--from the bribery of individual workers to harsh repressive actions, including the dismissal of labor activists, the dispersal and arrest of strikers by the police and so forth. There have even been cases in which employers, pursuing selfish goals (for example, the sale of accumulated stocks or the undermining of rival companies' positions), have provoked workers to call strikes.

The bourgeois mass media in the United States perform an important political and ideological function in the struggle against the labor movement by misrepresenting the true intentions of the strikers. For example, for a long time workers in the public service sphere were subjected to fierce attacks when they demonstrated: They were accused of deliberate and "malicious disorganization" of the operations of public services. Bourgeois analysts of labor relations also have a function to perform; they are expected to "theoretically" substantiate theses concerning the alleged "decline in class actions" by the proletariat, its "apathy" and so forth.

In recent years, some relative indicators of the strike movement have been used in works by bourgeois authors as "arguments" attesting to the increasing "passivity" of the working class. These have mainly been data on worker involvement in strikes, expressed in the ratio of strikers to the total number of employees, and the proportion accounted for by strike days in total work time.

It is true that when the actual dynamics of the strike movement are being analyzed, the overall employment growth rate must be taken into account. When this growth rate exceeds the increase in the number of strikers, worker involvement in the strike struggle and the percentage of strike days in total work time appear to decline, and this has been the case in the United States. The average annual indicator of strike involvement in the 1950-1959 decade was 5.3 percent, for example, but it was around 3.3 percent between 1970 and 1976.[5]

But the real reason for this does not lie in the direction pointed to by apologists for the bourgeoisie. The U.S. working class is now more frequently intentionally resorting to strike methods which do not require participation by the maximum number of workers but are still effective enough to force employers to give in. Moreover, the tactic involving a relative decrease in the number of strikers is organically supplemented by more persistent struggle. This is amply attested to by the constant increase in the average length of strikes. The rise in this indicator in 5-year periods was the following (in days):[6]

1952-1956	20
1957-1961	22.1
1962-1966	23.5
1967-1971	24.4
1972-1976	26

The choice of the level on which the strike is to be called is a central tactical question. Since most strikes in the United States take place when collective contracts are renegotiated with the local administration--at individual enterprises and companies--the main form of open demonstrations by American workers is the local production conflict. In the 1970's around 74 percent of all strikes took place at small enterprises and were participated in by less than 100 people, and only around 0.5 percent of the strikes involved more than 10,000 strikers.

Besides this, the increasing concentration of production and centralization of capital--that is, the expansion of the scales of monopolization in the economy--has been accompanied by the birth and intensive development of another tendency--toward an increase in the number of industrywide strikes and mass demonstrations by all members of a particular profession (especially in the service sphere, where elementary school teachers, medical personnel, policemen and others go on strike).

Around one-third of all strikes involving more than 1,000 people in the processing industry in recent years have taken place in two of its branches--electrical engineering and automotive engineering, branches which are distinguished by a high degree of monopolization. A "big three" has virtually total control over each of these branches: General Electric, Westinghouse Electric and Allis Chalmers; General Motors, Ford Motor and Chrysler. In the summer of 1979, a nationwide strike was held for the first time in the last 14 years at enterprises of Westinghouse Electric.

The increasing dimensions of strikes are particularly noticeable in the service sphere, where approximately 50-55 percent of all large-scale demonstrations (involving more than 10,000 people), as recorded in national statistics, took place in the middle of the last decade. The leaders in this sphere in terms of the number of large-scale strikes were transportation, communications, public utilities and municipal services.

The development of the American labor movement in the 1970's was distinguished by the considerable expansion of the variety of strike methods. The means used by strikers to exert pressure on employers became more diverse and included the threat to call strikes without any specific strike actions and immediate work stoppages. Moreover, in recent years the very term "work stoppage" has sometimes taken on new meaning. In some cases, this break in operations is intermittent, stopping the production process for brief but numerous periods; in other cases, it is of an isolated nature and impedes the functioning of individual (generally key) enterprise divisions. An example of this can be seen in the 1976 strike by 80,000 automobile workers, which took the form of a series of "selective demonstrations" at 16 plants of the leading monopoly in this industry, General Motors. Although these "staggered" strike methods were only recently borrowed by American labor unions from the experience of Western European workers, particularly Italians, short-term strikes now constitute a high percentage of all strikes in the United States of America.

Following the example of Western European workers, U.S. laborers are also making more extensive use of certain strike methods that do not require the total stoppage of work, such as "work strictly according to regulations," "the coordinated deceleration of work tempo" and so forth. These actions are not listed as strikes in official statistics and are therefore not recorded. Agencies of the Department of Labor record only demonstrations in which six or more people completely stop working, resulting in the loss of at least one work shift or work day. Therefore, the present serious advances in strike tactics are not directly reflected in statistics and this distorts the real picture.

By tradition, the picketing of enterprises is widely practiced in the United States. The picketers keep people from entering the establishment, particularly strikebreakers. The use of this method has been particularly effective in civil construction. In connection with the increasing frequency of this kind of picketing, it is being subjected to particularly fierce attacks in bourgeois propaganda. Workers are being accused of disregarding the "sacred rights" of private property. In these cases, American legislators have taken the employers' side: In 1976 the right of workers to picket was limited in a number of branches, including construction, by an overwhelming majority of the U.S. Congress.

A specifically American method, related in purpose to the strike, is the boycott of products of particular companies or the services they offer (transportation or consumer services). This tactic was used in the 1970's against companies in many industries. The boycotting of clothing manufactured by the large American J. P. Stevens firm, which has been going on intermittently for many years now and has been publicized throughout the world, has now crossed national boundaries. The reason for the boycott is the administration's refusal to give workers permission to organize a union. The same dimensions were taken on by the boycott of grapes grown in California. In 1976 the workers' victory over the "big four" monopolies in the rubber industry was assisted by the active boycotting of their products by dozens of labor unions in many countries, including associations affiliated with the World Federation of Trade Unions.

Changes in Striker Demands

At present, the American labor movement is mainly pursuing goals of an economic nature. The chief demand in demonstrations which were participated in by around half of all strikers in the 1970's was an increase in wages. The employment problem was also an important cause of strikes:

The slogan "Give us guaranteed employment!" was voiced by an average of almost 10 percent of all strikers throughout the nation during the same period. Approximately 3 percent of all strikers are fighting for better working conditions. But the struggle for these demands is not the entire class struggle.

The higher level of qualitative training of labor, the increased organization and the heightened class awareness of workers are effective factors which are expanding the group of demands made of the bourgeoisie and are changing the structure of these demands. Moreover, the workers are developing needs which can only be satisfied as a result of concessions on the part of the ruling class as a whole, which will inevitably change the "recipient" of the demands and, consequently, their nature.

The increasingly pronounced conflict between capital's tendency to denigrate the role of the worker in production, to divest his work of all its creative content and to treat him as an inferior, on the one hand, and the contemporary working class' desire to take a more suitable place, corresponding to its social role, in the production process, to cast off the functions of an "animated robot" and to establish control over all the conditions of its existence, on the other, is being reflected more and more in strike platforms. Marx said that capitalism developed man as a worker whereas the highest goal of social progress is to develop the worker as a man. It is precisely in this context that we should examine the increasing number of strikers in the United States who are insisting both on broader opportunities for their own participation in decision-making on the most diverse matters in their professional lives, and on greater freedom for labor unions at enterprises. Almost one-third of all strikers are now demanding so-called industrial democracy. This involves problems in the organization of production and labor, production training and so forth.

But the problem of insecurity has certainly not been removed from the strike agenda. Moreover, it is understandably brought up among the most urgent matters at times of crisis, when the bourgeoisie tries to normalize the economic situation by disregarding the interests of the general working public.

One of the main aspects of the struggle for higher wages in the United States has been the demand to implement the "sliding scale" principle, which keeps wages in line with the constantly rising cost of living. The American working class has been quite successful in this area. In 1970 slightly more than 25 percent of all hired laborers were paid according to the "sliding scale," and by 1979 the indicator had risen to 60 percent.[7] Calculations show, however, that the "automatic" raising of wages to keep up with the cost of living is not enough for the maintenance of a normal existence. For example, in the second half of the 1970's, salary raises based on the "sliding scale" compensated workers of the General Electric monopoly for only 25 percent of the losses they incurred as a result of inflation.[8]

Another demand--direct salary increases--does not solve the problem completely either. Throughout the nation as a whole, the amount of salary increases wrested by blue- and white-collar workers from enterprise and company administrations during the renegotiation of contracts grew. Whereas these increases annually amounted to an average of 3.2 percent of total wages in 1960, in the next decade the figure was 8.9 percent a year. In spite of this, the average wages of a worker in the electrical engineering industry, for example, was 25.3 percent lower in 1978 than the official minimum subsistence level for a family of four.[9]

This is rousing American workers to fight for effective measures for guaranteed wage security on a higher level--the government level. This would mean a rise in the minimum wage by means of legislation. Although union pressure has forced enterprises of some companies to pay salaries exceeding the minimum wage in many cases, it still serves as a necessary point of departure for demands for higher wages in each specific case.

What result has the systematic rise in the guaranteed minimum wage in the United States had? Here are just two admissions by official government bodies. The National Commission on Employment and Unemployment Statistics notes: "In 1977 more than 5 million people working 40 hours a week or more were paid salaries below the annual minimum and were members of families in which the total income was 150 percent below the poverty level."[10] The journal of the Department of Labor, the MONTHLY LABOR REVIEW, wrote in turn: "Millions of actively working heads of families who are paid a guaranteed wage are incapable of providing their families with all of the necessities. In spite of the rise in the minimum wage, around 12 percent of our population lives in poverty."[11]

Naturally, it cannot be said that the massive--in three basic areas--counteroffensive of the American working class in the sphere of material well-being is not resulting in any kind of improvement. On the whole, workers in the United States--this richest country in the capitalist world today--by whose efforts powerful productive forces have been created and a high level of labor productivity has been achieved, have attained, in fierce class battles with the bourgeoisie, a relatively high standard of living, higher in many cases than the corresponding indicators for Western European countries and Japan. Their successes, which take the form of annual salary increases, however, are largely "devoured" not only by the unprecedented rise in the cost of living (12-13 percent a year), but also by the high degree of production exploitation (in 1978 each General Motors worker earned the monopoly profits amounting to 8,000 dollars, and the figure was 9,000 dollars in the case of Ford), as well as the increasing tax burden (on the average, up to 30 percent of the worker's salary is deducted in the form of various taxes).

All of this clearly attests to the limited possibilities of working class struggle, no matter how broad and intense it may be, if it is waged primarily for the satisfaction of economic demands. American labor unions are justifiably pointing to the widening gap between the financial status of the working class and the wealth of the members of the bourgeoisie who are living on its underpaid labor.

The demands of the American working class for salary increases over and above the minimum sum required simply to maintain the minimum subsistence level are objective in nature. The rising cost of labor now takes in such integral elements of its reproduction as constant education and production training, health care and social security. As a rule, the hired worker must pay for all this directly out of his own wages. The solutions to these problems, if they are to be at all satisfactory to the working class, can only be found on the government level in the overwhelming majority of cases, and it is this that the working masses are demanding. Therefore, their economic struggle is unavoidably taking on political tones with the passage of time, since the interests of the two main classes in bourgeois society conflict in this struggle. A concrete example of this kind of confrontation is the movement against the setting of wage "ceilings" by the government.

Although the struggle for the resolution of another problem of vital importance to the workers--the employment problem--is being waged, judging by official statistics, by a much smaller number of strikers than the struggle for a decent wage, this aspect of strike activity is extremely important in the United States today. It should be noted that statistics on the number of persons striking for expanded employment do not indicate the actual scales of this struggle. "We want work!" and "Guaranteed employment!"--these are the slogans of many mass-scale measures by workers: demonstrations, mass meetings and protest marches. But official statistics record neither these nor the number of persons participating in them. Reference works and the periodical press only contain information about so-called labor conflicts at enterprises.

At the same time, the very approach of the working class to the problem of job security is gradually changing by virtue of its rising demands and the need to satisfy spiritual, cultural and intellectual needs. The very concept of the right to work is taking on new meaning. The workers are raising the issue of work which will contribute to the personal development of the individual. The class import of this demand, which is only being made episodically as yet, is already promoting the convergence of individual segments of the hired labor force, as even its partial satisfaction will consolidate not only the current interests of various socioprofessional categories of workers, but also their long-range goals. The eradication of social boundaries of this kind serves as a prerequisite in this case for the further polarization of most of the hired labor force on one side and capital on the other.

The struggle of the working class for the right to work in jobs which will promote the qualitative improvement of the worker is being impeded by the practice of capitalist company administrators of reorganizing labor processes, known as the "expansion of labor functions," the "enrichment of labor" and so forth. These measures, with which capital has armed itself, although they are justifiable in themselves and take the realities of production relations into account, are expected not only to divert most of the working class from its chosen path, but also to increase the exploitation of this class. Under these conditions, one of the primary objectives of progressive labor unions in the United States has become the elaboration of alternatives to employers' positions. Although the fight for creative and meaningful labor is only beginning, it represents one of the major elements of this kind of alternative.

The constructive nature of strike demands is one of the distinctive features of the American workers' struggle to solve the employment problem. This is reflected in the proposal that a shorter work week be instituted with no change in salaries (according to progressive researchers in the United States, the reduction of the work week by 5-6 hours in just the processing industry would provide up to 9.5 million more people with work), that compulsory overtime work by abolished (according to labor unions, a 40-hour work week without compulsory overtime could lead to the creation of 116,000 new jobs in the automotive industry alone), that annual vacations be lengthened, that the compulsory retraining of workers be conducted on company time, that supplementary wages be paid to people now working a partial work week, and so forth.

The gradual emergence of the strike struggle from the narrow bounds of the enterprise is attested to by the movement which began in the 1970's in defense of the material well-being of senior citizens. Better pension security was the central issue in a huge strike organized in March 1979 by one of the largest American unions--the teamsters' and warehousemen's union. Around 300,000 strikers demanded that the owners of more than 11,000 companies include a provision regarding a "sliding pension scale" in collective contracts.

On the national level, a struggle against increased military spending is also beginning. This demand is not officially a part of strike platforms, but the issue has been raised by the unions leading the labor movement and has been one of the most important demands made by participants in mass marches, demonstrations and meetings, in the organization of which the unions are now playing an increasingly important role. The demand for de-escalation of the arms race is a constant theme in the communist and labor press in the United States. The working class of this nation repudiates the assertion of ruling circles that even the partial conversion of production to the manufacture of civilian commodities would result in "new economic upheavals" and allegedly lead to a further rise in unemployment.

American union activity in support of measures to curb the arms race deserve special attention. The presidents of large labor unions are actively participating in the work of the "Americans for SALT" committee: D. Fraser of the automotive workers' union, W. Winpisinger of the machinists' union and others. The immediate ratification of the SALT II treaty was advised by the steelworkers' union. At the 23d biannual congress of the International Brotherhood of Teamsters and Warehousemen of the West Coast in the summer of 1979, a special resolution was passed in support of the SALT II treaty. It stated, in particular, that the rejection of this document by the Senate "would mean victory for those who are striving for an unlimited race for arms and heightened international tension." In connection with this, the union decided to take "all possible measures to mobilize support for the treaty throughout the U.S. labor movement and ensure progress in the reduction of arms production."[12]

The following statement was made at a conference of the United Automobile Workers of America: "Pentagon expenditures are depriving the Americans of huge sums. The 2 trillion dollars absorbed by the military establishment in the last 30 years could have been used for the development of the public health system, the guarantee of full employment and urban renewal."[13]

The development of events on the fronts of the class struggle in the United States in the 1970's demonstrated that the strike is still serving the working class as a reliable and effective weapon in the fight for better socioeconomic conditions. Combining strikes with a firm line in collective bargaining, the workers have not only been able to reinforce past gains, but are also forcing the bourgeoisie to make new concessions.

The strike movement is a permanent factor contributing to social tension in the United States. It reflects the protest of workers against all types of state-monopolistic oppression and expresses this protest in the form of overt and often uncompromising class battles. The massive scale of demonstrations, which have risen to the level of nationwide strikes, is one of the more distinctive features of the strike struggle of the last decade.

General democratic movements of various types, uniting the broadest segments of the working public, are rallying more and more around the strike movement. There has been an evident tendency toward the convergence of the current and long-range goals of the movements and the strike struggle, and the social base of the labor movement is constantly expanding.

The strategic objectives of strikers are gradually emerging from the narrow framework of economic struggle. Rising to the level of demands addressed to the entire bourgeois government, and acquiring nationwide significance, these working class demands are taking on a political tone.

The current stage in the development of the confrontation between hired labor and capital is described in the following way in the Draft Main Political Resolution of the 22d Congress of the Communist Party of the United States of America (22-26 August 1979): "The wave of strikes is growing. Strikes are being initiated by rank-and-file workers more frequently.... Now that class conflicts are more pronounced, the working class is taking the course of the heightened activity and policy of class struggle."

FOOTNOTES

1. Calculated according to "Handbook of Basic Economic Statistics," July 1979, pp 68-69 (1979 estimated).

2. The initial data for these and later calculations (if no statements are made to the contrary) have been taken from corresponding editions of the official publication "Analysis of Work Stoppages in the United States." This set of calculations is based on the latest edition of this handbook, published in 1977.

3. Calculated according to "Statistical Abstract of the United States," 1971, p 222; MONTHLY LABOR REVIEW, May 1979, p 69.

4. See V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 30, pp 54-55.

5. Calculated according to "Handbook of Basic Economic Statistics," July 1979, p 68.

6. Ibid.

7. "Labor Relations Yearbook," Wash., 1975, p 534; MONTHLY LABOR REVIEW, December 1978, p 15.

8. UE NEWS, 7 May 1979, p 1.

9. Ibid., p 6.

10. "National Commission on Employment and Unemployment Statistics. Counting the Labor Force: Preliminary Draft Report," Wash., 1979, p 49.

11. MONTHLY LABOR REVIEW, July 1979, p 17.

12. THE DISPATCHER, 15 June 1979, p 8.

13. POLITICAL AFFAIRS, July 1979, p 4.

8588
CSO: 1803

OIL AND AMERICA'S ENERGY STRATEGY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 34-45

[Article by Yu. V. Kurenkov and K. I. Mangushev]

[Text] In the 1970's the satisfaction of the U.S. economy's increasing demand for oil became one of the nation's most urgent economic and political problems--a problem which is increasingly affecting various spheres of public life in the nation. Each new administration which has come to power in the last decade has officially announced the vital importance of this issue and has drawn up its own energy program as a major element of U.S. domestic and foreign policy.[1]

The administrations and their programs changed, but national self-sufficiency with respect to oil not only failed to increase, but, on the contrary, even decreased. As yet, not one of these programs has led to any real positive changes in the balance of U.S. energy resources. Their failure has essentially been admitted by President J. Carter in televised speeches and in speeches in Kansas City (on 15 and 17 July 1979). And this failure is obvious. The total consumption of oil and other primary energy resources is still growing and is already far ahead of the 1972 figure. Imports of oil and petroleum products are also still increasing and now account for approximately half of all petroleum consumed in the nation. As a result of this and in connection with the rise in world prices, the total cost of imports rose from 7.5 billion dollars in 1973 to 45 billion in 1978. In the new prices, in effect from 1 July 1979 in accordance with an OPEC decision, the current volume of imports, if it remains the same, will, according to estimates, total almost 70 billion dollars. There is no question that this will contribute to the further growth of the U.S. negative balance of payments. The economic burden of imported oil and petroleum products, however, is almost totally transferred to the shoulders of consumers, bringing about a further rise in prices and a decline in real wages. At the same time, the total net profits of American oil companies increased 2.6-fold during these years. The administration's decision, made under monopoly pressure, to gradually (up to 1 October 1981) lift price controls on American oil within the nation will open additional channels for pumping the consumers' money into the safes of the powerful monopolies.

All of the various attempts of the leading capitalist powers to solve energy problems (particularly the problem of petroleum supplies) collectively, within the framework of the International Energy Agency and the Organization for Economic Cooperation and Development, have failed. These attempts have been impeded by the egotistical policy of the United States, aimed at the use of the capitalist world's oil resources first and foremost in its own interests.

In order to understand the real reasons for the energy problems of the United States, particularly the petroleum issue, and the related political and economic steps taken by the American Government, it would be expedient to examine present conditions, tendencies and possibilities for development in the U.S. oil industry. The propaganda machine and the oil monopolies in the United States have done much to give the world public the mistaken idea that the national oil industry's raw material base has been "depleted" and its production capacities are limited. An objective analysis of the geological and technological capabilities of this branch of the American economy provides for a more thorough understanding of the energy strategy of this largest power in the capitalist world and, on this basis, the better prediction of U.S. policy in the world oil markets in the 1980's. This kind of analysis and the resulting conclusions are of practical as well as scientific value.

From an Abundance of Petroleum to Dependence on Imports

Until recently, the United States was the major oil producer in the capitalist world. It still occupies a leading position in this area, surpassed only by Saudi Arabia since 1976 (in terms of crude oil production, without consideration for gas condensate). In all, between the time when U.S. oilfields began to be worked and the beginning of 1979, around 16 billion tons of oil had been produced in the nation. Three-quarters of this oil was extracted after World War II, and the maximum annual extraction level was reached in 1970 (474.2 million tons). Despite the massive scales of oil production, however, the United States became the largest importer of oil in the entire world in recent decades.

How did this happen? Why did the United States allow its economy to become dependent on foreign sources of oil? Before we answer this question, we must examine energy consumption patterns in the nation.

At the beginning of the century, around 90 percent of all U.S. energy needs were satisfied through the use of solid fuel, primarily coal, the extraction volume of which exceeded 500 million tons a year at that time. As early as the 1920's, however, the proportion accounted for by coal in total energy consumption dropped to 73-75 percent, and the figures for oil and gas rose to 12 percent and 4 percent respectively. In the first postwar years, the proportional figures equalized, and then coal began to be intensively superceded by liquid and gaseous hydrocarbons. In 1950, for example, oil and gas accounted for 58.8 percent of all fuel and energy resources consumed, in 1960 the figure was 74.4 percent, in 1970 it had risen to 77.7 percent, and in 1978 it was 76 percent (see Table 1).

Table 1

Fuel and Energy Consumption Patterns
in the United States, %

Years	Petroleum fuel	Natural and casing-head gas	Coal	Hydraulic* and nuclear power
1947	34.4	13.7	47.9	4.0
1950	38.9	19.9	40.1	1.1
1960	43.2	31.2	24.3	1.3
1970	42.0	35.7	20.8	1.5
1975	44.3	30.9	22.3	2.5
1976	45.4	30.3	31.9	2.4
1978	47.0	29.0	21.0	3.0

---

* Data pertaining to electric energy produced by nuclear power stations have been recalculated according to the efficiency factor. In some foreign sources, total expenditures of primary fuel and energy resources on the production of electric energy are sometimes cited.

Calculated according to: "World Energy Supplies," editions for corresponding years; WORLD OIL, 15 February 1979, pp 58-59.

This radical restructuring of the energy balance was not accompanied by the proper development of the production base of the fuel complex. By 1950, liquid fuel consumption in the United States was already slightly higher than the internal production level, and this gap subsequently widened rapidly. For example, oil production in the nation was equivalent to only 97 percent of total consumption in 1960, 83 percent in 1970 and approximately 50 or 60 percent in 1978. Between 1950 and 1978, the consumption of oil and petroleum products in the United States almost tripled: reaching 860 million tons, while production increased by only half this amount--415 million tons (see Table 2). To correct this huge imbalance, the United States increased imports of oil and petroleum products almost tenfold during the same period. The gap between levels of natural gas production and consumption also widened gradually (see tables 2 and 3).

It is known that the cost of oil prospecting and production in the United States is much higher than in the oilfields discovered in the developing states after the war. For example, in 1977 the U.S. cost was 2.3 times as high as in Africa, 3.1 times as high as in Southeast Asia and 14.6 times as high as in the Near and Middle East.[2] Whereas the average yield of oil wells in the United States did not exceed 2.5 tons a day in 1972, one well in Saudi Arabia produced an average of 1,593 tons a day, a well in Iraq produced 2,095 tons and the average well in Iran produced 2,300 tons. It is not surprising that the extraction of oil in these countries was much more profitable from the very beginning for American monopolies than domestic oil production or the derivation of energy from alternative sources. For example, in the beginning of the 1970's, calculated per conventional fuel ton, oil from the Middle and Near East cost two-sevenths as much as coal from standard American mines and one-sixth as much as coal from deep mines. The production of liquid fuel and gas from bituminous shale or coal cost 25 times as much as this oil.[3] As a result, the net profit standard of American oil companies in the Middle East in 1970 was 99 percent.

The extremely high profitability level of capital investments in oil production in the developing countries is what determined U.S. energy policy in the 1950's and 1960's. The U.S. Government not only did not discourage, but essentially even encouraged, this diversion of capital from the needs of energy development within the nation and the flow of cheap imported oil into the U.S. domestic market.

Table 2

Production and Consumption of Basic Types of Mineral Fuel in the United States, millions of tons of conventional fuel

Years	Coal		Oil, gas condensate		Natural gas	
	Production	Consumption	Production	Consumption	Prod.	Consump.
1950	506	446	421	433	225	222
1960	392	359	564	638	460	460
1970	552	471	791	947	792	806
1975	586	524	696	1042	707	727
1976	599	544	677	1127	714	753
1978	635	564	723	1261	745	778

"World Energy Supplies," editions for corresponding years; THE OIL AND GAS JOURNAL, 29 January 1979, pp 107-124.

Virtually all forecasts of energy conditions and economic development as a whole up to 1985-2000 were based on the assumption that there would be no limits on the use of imported oil. For example, in the early 1970's, the National Petroleum Council and the Bureau of Mines predicted that the national demand for petroleum products would reach 1,100-1,460 million tons a year by 1985, 900 million of which would be imported.

The maximum augmentation of oil imports was regarded in the United States as a major undertaking, aimed not only at ensuring considerable economic gains, but also at defending U.S. strategic interests through the conservation of America's own oil resources. This was the common policy of monopolistic capital and government circles. State-monopolistic capital in the United States, hoping that the neocolonialist order it had set up would remain unchanged, concentrated mainly on prospecting and the intensive working of oil fields in other countries. For example, the five largest U.S. oil concerns alone had fixed capital worth a total of 16.1 billion dollars outside the nation in 1972. The same year Exxon produced 281 million tons, but only 55 million in the United States, while the respective figures for other firms were 187 million and 45.1 million for Texaco, 165 million and 28 million for Gulf Oil, 103 million and 18.8 million for Mobil Oil and 163 million and 31 million for Standard Oil of California. The gross capital investments of American oil companies abroad (excluding investments in geological prospecting) rose from 2.6 billion dollars in 1964 to 5.5 billion in 1972.

Table 3

U.S. Petroleum Supply Balance

	1950	1960	1965	1970	1972	1975	1976	1977
Production								
millions of tons	266	347	384	474	467	412	402	403
%	100	130	144	178	176	155	151	151
Consumption*								
millions of tons	303	505	576	745	816	824	863	896
%	100	167	191	246	269	272	285	296
Imports								
Oil, millions of tons	23	52	62	66	111	204	258	316
Petroleum products, millions of tons	19	40	60	103	120	100	100	110
Total, millions of tons	42	92	122	169	231	304	358	426
%	100	219	290	402	550	724	852	1014

---

* Including gas condensate and liquefied gas (after 1960).

"World Energy Supplies," editions for corresponding years; WORLD OIL, 15 February 1979, pp 113-116; THE OIL AND GAS JOURNAL, 30 January 1978, pp 123-126.

This led to the sharp reduction of geological prospecting for oil in the United States. For example, 13,000 test wells were drilled for oil and gas in the United States in 1956, 7,700 in 1970 and around 11,000 in 1978. As a result, known reserves of petroleum began to decrease in the nation, and oil production capacities began to be used less (for example, the use level in Texas rarely reached 70 percent in 1950-1971, and it was only 25-30 percent in 1960-1965). Moreover, most of the drilling took place on the continent, although the largest potential resources of petroleum[4] were concentrated in Alaska and, in particular, on the continental shelf. The oil companies preferred not to take any risks and were reluctant to engage in prospecting work in areas difficult of access (for example, only 0.3 percent of all wells drilled in the United States in 1978 were in Alaska), since the drilling of wells of, for example, 1,750 meters in depth in Alaska cost 15.3 times as much as on the mainland, and the same drilling on the continental shelf cost 8.5 times as much as on the mainland. As a result of the low rate of development in new regions, the effectiveness of geological prospecting for oil in the United States declined from 36.3 tons of reserve increment per meter of well drilled in 1960 to 23.2 tons per meter in 1972. It was this, and not the depletion of deposits, that was the main reason for the decrease in known oil reserves in the nation in the 1970's.

As we know, however, a joint struggle by the developing countries against the robbery of their natural resources by foreign monopolies brought the "era of cheap oil" to an end, and world oil prices have approximately quintupled between 1973 and 1979. This rise in prices and the temporary cessation of Arab oil deliveries (or their reduction) in 1973 and 1979 (at the time of the revolutionary events in Iran) demonstrated the instability of U.S. oil supply operations based on foreign sources and, as a result of the speculative policies of oil monopolies, led to serious economic upheavals and political difficulties in the nation. This forced the American Government to admit that the reasons for the nation's current energy problems can be found in the internal economic and political conditions of its development, and to make a more vigorous search for ways of correcting the tremendous disparity in the development of branches producing and consuming energy.

What are the deep-seated reasons for the failure of the U.S. Administration's attempts to reduce national dependence on imported oil? Is it possible that the administration's attempts to concentrate on the use of America's own fuel and energy resources have been economically unsound? Or can the reason be found in another, unadvertised but actual U.S. policy, which is aimed at conserving national energy resources through the intensive working of the reserves of other states?

Are U.S. Oil Resources Depleted?

The provision of the national economy with oil and petroleum products is a cardinal issue in the resolution of U.S. energy problems, the principal element of all federal energy programs and one of the mainsprings of American foreign policy in Asia, Africa and Latin America.

According to American statistics, known oil reserves[5] in the United States totaled 3.84 billion tons in the beginning of 1979. Consequently, judging by the actual level of oil production in 1978 (415 million tons), known reserves would supply the nation for less than 10 years (this hypothetical indicator was equivalent to 15.1 years in 1930, 12.8 years in 1950 and 11.1 years in 1970), and this total was only 4.5 times as high as the actual level of petroleum product consumption in the nation that same year.

In our opinion, however, we cannot base our views on these indicators alone. Calculations indicate that, despite the constant growth of oil production in the United States during the 60 years prior to the beginning of the 1970's, known oil reserves constantly increased as well. Besides this, the actual production figure during each of the six decades was equivalent to 84-107 percent of the known reserves recorded at the end of the preceding decade (see Table 4). Between 1958 and 1967, for example, the extraction figure was equivalent to 84 percent of the known reserves recorded at the end of the 1948-1957 decade: $\left(\frac{3,707}{4,414} = 0.84 = 84 \text{ percent}\right)$.

Consequently, the United States was actually increasing its real oil resources. In our opinion, it would be more correct to define these resources as the sum of the quantity of oil extracted (for instance, over a period of 10 years) and the difference between known reserve statistics at the beginning and end of the period. For example, between 1958 and 1967 the United States actually used a quantity of oil equivalent to 4,493 million tons: Of these, 3,707 million tons represented the total extraction figure for the period and 786 million tons represented the increment in known reserves over the 10 years (5,200 - 4,414 = 786).

Table 4

Basic Indicators of State of U.S. Oil Resources

	1918-1927	1928-1937	1938-1947	1948-1957	1958-1967	1968-1977
Total production over 10 years, millions of tons	821	1298	2037	3069	3707	4409
Known reserves at end of decade, millions of tons	1240	2393	2881	4414	5200	4012
Actual increment in real resources, millions of tons	--	2451	2585	4602	4493	3221
Total production in percentage of known reserves at end of preceding decade	--	105	85	107	84	85

Calculated according to "World Energy Supplies," 1950-1974; 1972-1976; 1976; 1978; THE OIL AND GAS JOURNAL, 29 December 1969, pp 94-95; 25 December 1972, pp 82-83; 25 December 1978, pp 102, 103; WORLD OIL, 15 February 1979, pp 113-116.

Taking this approach, which seems more objective to us, to the assessment of petroleum resources, the situation in the United States does not appear critical, at least not before the 1970's. For this reason, the "oil hunger" in the United States, with which oil companies are frightening the world public in order to justify their own expansionist and aggressive actions in the oil-bearing regions of the world, is more a means of political pressure than a geological or technological factor.

In all, more than 20,000 oil deposits were discovered in the United States prior to 1978. Its original geological reserves--that is, known and evaluated reserves--are estimated at 61 billion tons, of which less than 16 billion have been extracted during 118 years of industrial working. The current yield[6] of deposits in the United States was estimated at only 33 percent in 1977. Consequently, two-thirds of the reserves that are being industrially worked are still underground, creating and constantly increasing resources that cannot be extracted with current technology. For example, of the 45 billion tons of oil now underground in the United States (61 - 16 = 45), less than 4 billion are categorized as known reserves, 20 billion are considered to be "unextractable,"[7] and the working of the remaining 20 billion has been deemed economically unprofitable until recently. Therefore, the United States has at least 20-25 billion tons of oil which will be extracted sooner or later; this is far in excess of total oil extraction in the United States during the entire history of oil production.

Intensive work is going on in the United States to develop and test "secondary" and "tertiary" methods of oil extraction in order to increase the yield of strata. The thermal working of strata is being tested in 125 experiments in the field, 7 experiments are being conducted with the pumping of gas, and 82 experiments involve the use of solutions of various polymers, alkali and carbon dioxide.[8] Most of this work is going on in Texas, Louisiana and California, where around 52 percent of all known oil reserves are concentrated. In 1979, more than 110 million dollars was allocated to finance experiments to increase the yield of oil deposits, including 47 million from the Department of Energy budget. Plans call for even broader research and industrial testing in this field in the future. According to the calculations of this department, a higher yield could increase extractable oil reserves in the United States by 5.4-5.7 billion tons (for example, the use of just "tertiary" methods in 1990-1995 could lead to the extraction of 180-200 million additional tons of oil each year). At the 10th World Oil Congress (Bucharest, September 1979), these figures were confirmed to be the minimum possible quantities. It was also confirmed that the use of "tertiary" methods of oil extraction in the United States would provide for the extraction of around 20 billion additional tons of oil.

In addition to oil fields, deposits of bituminous sand and shale represent a huge source of liquid hydrocarbons in the United States. The intensive work on technology for the production of liquid fuel from coal will also serve this purpose. For example, according to the data of the 10th World Oil Congress, resources of crude hydrocarbon in deposits of bituminous shale[9] with a kerogen content of 38 liters or more per ton total around 250 billion tons. The largest shale deposits (with an average crude hydrocarbon content of 95 liters per ton) are located in Colorado and Utah. Besides this, more than 500 deposits of bituminous sand, containing around 4 billion tons of oil, have been discovered. Naturally, the development of these sources will require large investments and will necessitate the resolution of complex technical, economic and organizational problems, but the United States will have to solve these problems (many industrially developed countries will have to do this).

It can be said, therefore, that the United States has sufficient resources of crude hydrocarbon for the complete satisfaction of its demand for petroleum products within the foreseeable future.

Imports vs. Domestic Production

Economists have noted a paradox: The higher world oil prices climbed, the more sizeable oil imports became in the United States. For example, crude oil imports in 1977 were almost three times as great as in 1972. Moreover, in order to stimulate the creation of strategic oil reserves prior to the beginning of the fall and winter of 1979/80, something like a bonus for the augmentation of oil imports was temporarily instituted in the United States in 1979--a government subsidy paid to oil suppliers (that is, the aforementioned U.S. monopolies) in amounts of up to 35 dollars for each ton of imported oil. This testifies that world oil prices still do not fully reflect the actual extent of the utility or use value of petroleum resources (non-renewable).

The logic of the capitalist form of economic management has once again diverged from reality: The higher production costs of American oil in comparison to foreign oil caused capital to flow out of the nation, which impeded the development of the U.S. oil industry in the 1950's and 1960's. Under the new conditions of the rapid rise in world prices in the 1970's, American oil companies continued to suppress the development of the U.S. oil industry, as they felt it was not profitable enough for them to invest capital in this industry given existing domestic prices (their rise has not kept up with the rise in world prices) and the "too rigid," in their opinion, federal price controls. This manner of stating the issue seems contrived. In the first place, in spite of the federal controls, average oil prices in the nation were 2.6 times as high in 1976 as in 1970.[10] In the second place, because they control the refining, shipment and sale of petroleum products, the oil monopolies were not only able to make up for the loss of part of their profits in the sphere of oil production, but even to increase profits at a time of rising prices by using the mechanism of monopoly prices on the final (or finished) product (petroleum products). For example, the total net profits of the largest oil monopolies were (in millions of dollars):[11]

	1975	1976	1977	1978
Exxon	2503	2641	2443	2760
Gulf Oil	700	816	752	791
Mobil Oil	810	943	1005	1124
Socal	773	880	1016	1080
Texaco	831	870	890	852

Nonetheless, once again the U.S. Government was unable to withstand the pressure of the oil monopolies. In April 1979, J. Carter announced that federal price controls on domestic oil would begin to be gradually canceled in June, so as to bring them up to the world price level by 1981. This means that the economic burden of the further development of the oil industry will be shouldered more and more by the American taxpayers--that is, primarily by the general working public.

In recent years, along with the economic considerations of the expediency of importing oil, the strategic plans of American imperialism have become increasingly apparent: plans to conserve its own resources until such time as other countries have depleted their national resources--that is, until a point in time which will probably be followed by a new "price explosion"--and to attempt, on this basis, to establish the United States in a unique, privileged position in the capitalist world. In our opinion, this is the actual political reason for all of the talk about the U.S. desire to curtail its dependence on imported oil. For this reason, in spite of the rising prices and the widely publicized statements of the American Government, imports of oil and petroleum products will continue to grow. Until such time as the United States finds suitable sources of oil somewhere in the capitalist world, all of the statements about the U.S. desire for oil independence will continue to be only declarative.

Under these conditions, the reduction in oil imports envisaged in the administration's new energy program and the promise J. Carter had to deliver at the Tokyo conference of the "Big Seven" in June 1979--that the United States would freeze oil imports at the current level until 1985--are not likely to be implemented, just as the notorious "self-sufficiency" program was never implemented. In our opinion, the United States will continue to import at least 450-500 million tons of oil and petroleum products a year in 1985-1990, utilizing all of the political and economic means at its disposal to exert pressure on the oil-producing countries for the creation and stabilization of import conditions acceptable to Washington. The increase noted in the last 2 or 3 years in investments in the development of the U.S. oil and gas industry, the increase in drilling operations and the augmentation of capacities for oil production are primarily aimed not at the reduction of regular imports of oil, but at the creation of raw material reserves and economic potential in the oil industry, which could help to prevent serious upheavals in the national economy in the future if foreign shipments of oil should be reduced or cut off for reasons beyond U.S. control.

Consequently, the growth of imports of oil and petroleum products is in the long-range economic and strategic interest of American imperialism, despite a number of serious negative consequences (for example, the sharp increase in the deficit in the balances of trade and payments). Therefore, there is no reason to anticipate a voluntary reduction, not to mention cessation, of oil imports by the United States.

The Possibility of U.S. Self-Sufficiency Regarding Crude Hydrocarbons

In order to answer the extremely complex question of the possibility of this prospect, we will present several economic computations.

The most important criteria for determining prospects and drawing up programs for energy development over the long range are the expected levels and rates of population and GNP growth, as well as gross energy consumption per unit of GNP and per capita.

Over a period of 20 years (1959-1978), the U.S. population grew from 178.2 million to 216.8 million--that is, by 22 percent. According to American forecasts, the population will be 260 million by the year 2000--that is, it will be 20 percent greater than in 1978. Gross energy consumption per capita increased from 7.3 tons of conventional fuel in 1950 to 11 tons in 1975--that is, it increased 51 percent--and now exceeds 11.5 tons of conventional fuel a year, including around 3.5 tons of oil. Gross energy expenditures per dollar of GNP (in 1972 prices) amounted to 2.1 kilograms of conventional fuel in 1950 and 1.9 kilograms in 1975--that is, they were reduced by 9.5 percent.

In accordance with the administration's new energy program, the rate of increase in U.S. energy consumption should be lowered to 2 percent or less by 1985. In line with the data presented here, this means that gross energy consumption per capita should amount to 14.9 tons of conventional fuel in 1990 and around 16.5 tons in 2000, while energy expenditures per dollar of GNP should be equivalent to around 1.8 kilograms and 1.6 kilograms respectively (based on an estimated average GNP growth rate of 3.4 percent a year between 1976 and 2000). Under these conditions, total consumption of primary energy in the United States will be at least 3.3 billion tons of conventional fuel in 1985 and around 4.3 billion in 2000. If, on the other hand, the energy conservation program (as yet it has only been partially adopted) is not carried out--and its implementation has produced no tangible results to date--volumes of energy consumption in the American economy could be even greater.

What sources can the United States expect to use in satisfying these energy needs?

The share of hydroelectric power stations in the national consumption of fuel and energy resources is not likely to exceed 1.5-2 percent before the end of the century; the existing 78 nuclear power stations produced around 9 percent of all electric power in 1978, but in the structure of energy resource consumption as a whole, their share remained around the 3-percent level. The sharply increased cost and duration of nuclear power station construction and the strong public opposition to environmental pollution have lowered the rate of development in U.S. nuclear power engineering, and in 1976 and 1977 only five requests were submitted for the construction of new nuclear reactors while 32 previously concluded contracts were canceled. For this reason, we could hardly be accused of pessimism when we predict that the proportion accounted for by nuclear power stations in electric energy production in the United States can only be estimated at around 10-20 percent right up to 1990, and their share in the energy balance will only be 6-6.5 percent. The proportions accounted for by solar, geothermal and wind energy in the U.S. energy balance are still negligible and, according to the majority of estimates, will be equivalent to 1-2 percent up to the end of the 1980's. The energy produced by means of thermonuclear synthesis, according to leading experts, will not be used in industry in the 1990-2000 period, although it is precisely in this field that new technological "breakthroughs" can be expected.

Therefore, it is most probable that 90 percent of the American economy's energy needs will be satisfied through the use of oil, gas and coal up to 1990. Moreover, the proportion accounted for by oil in the energy balance will most likely stay at 45-50 percent (see Table 5).

Table 5

Forecast of Energy Resource Consumption Patterns in the United States*

	1976		1985		1990	
	conven. fuel tons, millions	%	conven. fuel tons, millions	%	conven. fuel tons, millions	%
Total energy consumption	2485	100	3300	100	3600	100
Breakdown:						
Petroleum fuel	1128	45.4	1580-1550	46-47	1630-1680	45-46
Gas	752	30.3	750	22.7	700	19.5
Coal	544	21.9	770-800	23-24	850-900	24-25
Nuclear power	61	2.4	130	4.0	236	6.5
Hydroelectric power			50	1.5	60	1.7
New sources of energy	--	--	20	1.0	70	2.0

---

* The forecast and calculations are the author's own.

According to our predictions, national requirements for liquid hydrocarbon raw materials, calculated in natural terms, will be equivalent to at least 1.1 billion tons in 1985 and at least 1.1-1.2 billion in 1990. To produce this quantity of oil, given current strata yield coefficients (33 percent), the United States will have to extract at least 3-3.5 billion tons of oil reserves each year. Obviously, it will not be able to accomplish this task by conventional means and, given current technological methods of oil production, this would hardly be possible. In the future, even if all proposed programs for increasing extractable petroleum reserves are carried out, the quantity will be brought up to 20-25 billion tons. Given the abovementioned volumes of petroleum product consumption, this would only last until the end of the century. And then what?

It is clear that under these conditions, the United States will continue to make maximum use of the resources of other countries, thereby greatly endangering their economic development. On the other hand, all countries have an interest in using oil only in the particular economic spheres where it is virtually irreplaceable from the standpoint of modern technology (petrochemicals and the production of motor fuel and lubricants). A look at the consumption patterns of petroleum products in all branches of the U.S. economy, with the exception of transportation, shows clearly that many of them are being used inefficiently. For example, in 1975 only 10 percent of all fuel oil was absorbed by thermal electric power stations, approximately 18 percent was used in industry and agriculture and 17 percent was used by other consumers (mainly the public utility sector).[12] Judging by the practice of using oil in each sector or branch of the economy, however, we can assume that around 250 million tons of oil could already have been replaced that year, in principle, by less scarce energy resources--coal and nuclear power. For this reason, if the United States wishes to satisfy all its demands for hydrocarbon raw materials, it would obviously be expedient for it to start by taking effective steps to sharply reduce unjustified expenditures of oil by replacing it with coal, nuclear power and new types of energy resources. As we mentioned above, the United States has not taken any such steps on a truly noticeable scale.

In connection with this, the continued rise in world prices on oil and petroleum products can also be interpreted as a means of preventing the predatory depletion of world oil resources by American monopolies.

It is also understandable that one of the main conditions for U.S. self-sufficiency in this field is the maximum development of oil production within this nation. Numerous forecasts published in the United States between 1970 and 1978[13] envisage the growth of annual petroleum output to 600-730 million tons by 1985 and 800 million by 1990. In principle, this could be accomplished by means of more vigorous geological prospecting and the extensive use of methods to increase the yield of deposits. The plans to develop economical methods of producing petroleum products from bituminous sand and shale and to use these methods widely in industry, as well as the plans to produce liquid fuel from coal, are quite promising, even though they will involve considerable expense.

The Canadian experience confirms that this is a realistic solution to the problem. Since 1967 an industrial complex for the processing of bituminous gravel in the Athabasca region has been operating in the province of Alberta and is now producing around 3-3.5 million tons of oil a year. Construction work on a second complex of this type, with twice the capacity, has been completed.[14] In view of the clearly definied tendency toward the escalation of prices in world oil markets, plans call for increasing the production of oil from bituminous rock in Canada to 15-20 million tons in 1985, 135-140 million in 1990 and 230 million by 2000-2005. Even now, the cost of producing a ton of oil in the mouth of the McKenzie River (in the

Canadian North), where most of the potential oil reserves of this nation are located, is 2.6 times as great as the cost of producing a ton of oil from bituminous rock. It is interesting that American oil companies are also working deposits of bituminous rock in Canada, since this means that the technology for production of this kind is well known in the United States. Moreover, methods for the underground and surface processing of bituminous shale for the derivation of standard petroleum products were worked out long ago in the United States.

As we mentioned above, U.S. resources of bituminous sand and shale, calculated in terms of their petroleum yield, exceed potential petroleum resources many times over. Consequently, they could serve the American oil industry as a new raw material base for many years.

Therefore, by restructuring its fuel and energy balance, vigorously engaging in the development of new potential oil reserves within the nation and the supplementary working of old deposits, and developing and mastering industrial methods for the derivation of petroleum products from bituminous sand and shale, the United States could, in principle, satisfy its own hydrocarbon raw material requirements. Naturally, this calls for serious effort and large capital investments.

The question now is whether American ruling circles, oil monopolies and the military-industrial complex will want to make these expenditures for the sake of guaranteeing the national energy independence they insist upon verbally. The entire experience of the energy crisis' evolution from one phase (1973) to a new one (the end of the 1970's) proves that the existing socioeconomic system in the United States is incapable of restraining the oil monopolies in the public interest or proposing truly effective and realistic programs to regulate the energy crisis. The dangerous growth of the negative effects of U.S. energy policy on global economic development, with corresponding effects on the international situation, is quite apparent.

Truly egalitarian and mutually beneficial economic cooperation by all countries of the world, regardless of their social structure and levels of economic and technical development, could help considerably in the resolution of world energy problems. The USSR and other socialist states propose that the basic principles of this kind of cooperation be discussed at the European energy congress and at the subsequent world energy congress.

FOOTNOTES

1. For a detailed analysis of the Nixon, Ford and Carter energy programs see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 9, 1977; No 11, 1979.

2. PETROLEUM OUTLOOK, vol 31, No 5, 1978.

3. PETROLEUM ECONOMIST, February 1975, pp 59-61.

4. The total quantity of oil that might be located in a particular region.

5. Prospected and precisely calculated oil reserves which can be extracted by current means and are convenient to work at the current price level.

6. The ratio of oil reserves which can be extracted by known and mastered methods of extraction to total reserves in a region or nation.

7. Known reserves in a particular region (or deposit) which cannot be extracted by existing methods.

8. THE OIL AND GAS JOURNAL, 27 March 1978, pp 114-140.

9. Bituminous shale consists of a mineral base and the organic part of the crude hydrocarbon (kerogen).

10. "U.S. Bureau of Mines. Minerals Yearbook and Annual Petroleum Statements," October 1977, section VI, Table 8a.

11. PETROLEUM ECONOMIST, May 1978, pp 180-182.

12. "Statistical Yearbook 1976," United Nations, N.Y., 1977, p 373; "Statistics of Energy," OECD, Paris, 1974, pp 175-184.

13. "United States Energy Through the Year 2000," U.S. Bureau of Mines, 7 December 1975, Wash., 1975; "59th Electric Power Survey. A Report of the Electric Power Survey Committee of the Edison Electric Institute," Wash., 1976; PETROLEUM ENGINEER INTERNATIONAL, November 1978, vol 50, No 12, pp 26-38.

14. CANADIAN MINING JOURNAL, February 1978, pp 162-168; OIL WEEK, 23 October 1978, pp 30-34.

8588
CSO: 1803

HOLLYWOOD AND TV: FROM CONFRONTATION TO COOPERATION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 46-57

[Article by N. A. Golyadkin]

[Not translated by JPRS]

CSO: 1803

UNITED STATES AND UN SCIENCE AND TECHNOLOGY CONFERENCE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 58-62

[Article by G. S. Sibiryakov and O. G. Pavlov]

[Text] One of the major UN undertakings of 1979 was the world conference on development through science and technology, which was held in August in Vienna, the capital of Austria. More than 4,000 delegates from virtually all states in the world and the representatives of dozens of international governmental and non-governmental organizations discussed possibilities and concrete plans for the use of science and technology for the progress of civilization, for the socioeconomic development of all nations and peoples.

The conference agenda included such questions as the selection and transmission of technology for developmental purposes, the eradication of obstacles impeding the better use of scientific and technical achievements; organizational measures and new forms of international scientific and technical cooperation; the use of the existing system made up of the United Nations and other international organizations; science, technology and the future.

One of the characteristic features of the Vienna conference, just as of many other international forums of recent years, was the discussion of specific scientific and technical problems in close relation to such cardinal political and socioeconomic issues of the present day as detente, disarmament, the strengthening of mutual trust in relations between states and the reorganization of international economic relations on the basis of the principles of equality and respect for national sovereignty.

Reports prepared by representative groups of experts from individual countries, informational summaries by the outstanding scientists of the day, survey documents and the recommendations of experts from the United Nations and other international organizations, both governmental and non-governmental, were brought to the attention of delegates. These documents contained descriptions of the present status of the fundamental and applied sciences, forecasted the development of the more promising branches of technology and elucidated the socioeconomic and political aspects of scientific and technical progress.

The American delegation also submitted a comprehensive report. It must be said that the United States began to pay more attention to problems of "technological diplomacy" in the mid-1970's. Sufficient evidence of this can be found in the three-volume work of the Library of Congress Research Service, "Science, Technology and American Diplomacy," a detailed analysis of the interrelationship between U.S. foreign policy and science and technology, or the materials of the Murphy Commission, which relate the results of a search for more effective organizational forms and methods of government action in the sphere of foreign policy. These works prove that the role of U.S. technological potential is constantly becoming a more important element in the arsenal of effective U.S. foreign policy media. The results of these and several other studies lay at the basis of the position taken by the United States at the Vienna UN conference on development through science and technology.

The national report of the United States was entitled "American Science and Technology for Purposes of Development: Contribution to the 1979 UN Conference." It was compiled by a private organization--the National Research Council. Representatives of the National Academy of Sciences, the National Academy of Engineering and the Institute of Medicine were directly involved in the work on this report. Besides this, at the request of the State Department, industrial firms in the United States submitted detailed summaries of the capabilities and interests of private business in connection with the use of specific elements of American technological potential in the developing countries.

The structure of the national report of the United States and the nature of the conclusions and recommendations in this report clearly testify that the focus of attention consists of two groups of scientific and technical problems. The first group concerns achievements which guarantee the United States a solid footing and, for this reason, can only be utilized by other countries in accordance with certain stipulated terms. The second group is made up of problems of extreme urgency for the United States itself and, for this reason, they are more conveniently categorized as global so that they can be resolved through collective efforts with consideration for the U.S. interest regarding the maximum use of American technology.

The American interpretation of the use of science and technology for purposes of development is most clearly set forth in the first part of the report. It contains the unequivocal admission that the United States' initiatives are based on its own understanding of the needs and priorities of the developing countries. The definitions of developmental goals are extremely abstract and totally unconnected with the socioeconomic structure or political goals of states: "The eradication of the most acute signs of poverty through the satisfaction of vital needs for food, shelter, work and education; modernization of the economy and the guarantee of production growth, both for consumption within the nation and for the purpose of acquiring export income." At the same time, it is quite striking that the initiatives published by the American side, concerning the possible forms of scientific and technical aid to the developing countries, as acknowledged in the report, obviously exceed the actual financial capabilities of the United States. Therefore, they are only declarative in some respects.

At present, the United States is striving to offer the developing countries a variety of possibilities for making use of the experience at their disposal. In this connection, the Democratic Administration's recent decision to create a fund for technical cooperation within the framework of a new American organization--an institute for scientific and technical cooperation--seems promising. But the question of this fund has not been settled as yet, as Congress is expected to oppose the plan. On the whole, however, the creation of the fund, as even the authors of this report admit, would be an extremely feeble means of search for solutions to all of the difficult problems facing the developing countries.

The U.S. Government and private business are striving to first impose specific obligations on the developing countries, which they will have to assume in exchange for the right to make use of American technology. Only then--and on terms benefiting the United States--will Washington be willing to render this kind of assistance. This position is backed up by extremely vague or obviously demagogic statements such as the following: "The desire for material progress generally leads to the more pronounced interdependence of states, as no single state is economically independent with respect to the resources needed to carry out these plans."

Separate chapters in the report deal with the role of science and technology in the process of industrialization, problems connected with public health, nutrition and population; food production, the climate and the use of land and water resources; energy, natural resources and environmental protection; urban development, transportation and communications.

In the chapter dealing with problems in industrial development, consideration is given to the fact that industrialization is viewed in the developing countries as an essential condition for economic prosperity, public employment and national autonomy. The United States, however, hopes that the interests of the developing states in this respect will "coincide" with American interests in the broadest sense of the term. Otherwise, according to the United States, the gap between the developed and developing countries will widen, with all of the ensuing negative consequences for the economy, security and other important aspects of the development of young states. This warning is followed by a discussion of the possible ways of administering the American experience in the developing countries: through assistance in the establishment and consolidation of local centers for the training of technical specialists and administrators; through the intensification of personnel training, research and technical assistance programs in American colleges; through the creation of so-called "productivity centers" in the developing countries, centers for the development of small-scale industry and agriculture; through assistance in the organization of scientific research in industry and the exchange of scientific personnel between research centers in the developing countries; through the organization of a "technology corps" (by analogy with the notorious "Peace Corps").

These and other forms of scientific and technical cooperation are expected to guarantee considerable benefits primarily for the United States. This is frankly stated in the conclusions at the end of the first chapter of the report: Correctly organized international cooperation and exchange could enhance the effectiveness of U.S. efforts to ensure the internal dynamism and continue the process of improvement in the U.S. economy on the basis of innovations, even if the existence of serious employment problems in the United States is taken into account.

The U.S. position centers around the idea that international cooperation in the field of science and technology can only be effective on the condition that private capital is guaranteed the leading, and even decisive, role. As the report states, private capital has the most potential, and only it can ensure the effective use of science and technology accompanied by the more efficient use of financial and material resources and skilled manpower. Government participation and intergovernmental regulation of scientific and technical international cooperation will establish, according to the authors of the report, only the specific financial, political or administrative-legal boundaries for the institution and extensive spread of this kind of cooperation.

The authors of the report mention in passing that the transmission of industrial technology has sometimes had the opposite effect on the economies of the developing countries and that the actions of transnational corporations "have not always benefited the developing countries." The authors call for measures to improve the conditions of commercial operations with the developing countries, proceeding from the assumption that more just conditions would aid in strengthening ties with these countries--that is, the authors essentially admit the injustice of current relations and suggest that the transnational corporations conduct a more flexible policy, as this will guarantee them a better position.

The report is openly being used to advertise the private capitalist system of science and technology in the United States and praise American aid to the developing countries. For example, it is known that the United States has given the developing countries more than 100 billion dollars in the form of government aid and has trained more than 2 million specialists in the last 30 years. The report says nothing, however, about the reciprocal flow of profits and the "brain drain" in these countries.

In the chapters dealing with the use of natural resources in the process of industrial and agricultural production and with various aspects of the interrelationship between society and nature, the authors focus their attention on the scientific and technical capabilities of the United

States, which have provided for the considerable intensification of agricultural production, research, the use of natural resources, the development of transportation and communications and urban construction. As for the negative consequences of scientific and technical progress, which came to a head and took on global dimensions precisely as a result of the utilitarian activities of American and international corporations, they are described in the report as the "ills of civilization," totally unconnected with socioeconomic and political processes in the United States and the capitalist world as a whole.

A great deal of effort has been made to convey the impression that, as soon as the developing countries gain access to American technology and methods of agricultural production, weather forecasting and the technical potential of space probes, communication systems and transportation devices, all of their difficult problems will be solved, and the nations themselves will enter an era of prosperity, satisfying the majority of public material and spiritual demands.

No one is likely to deny that one of the main problems of the present day is the economic and technological backwardness of the developing countries. It is with good reason that this is categorized as a global problem. But something else is also clear: Mere financial and technical assistance are obviously not enough. After all, the rates of economic development and scientific and technical progress in the young states will depend on trends in major socioeconomic processes and on progressive reforms in the state and social structure; only under these conditions, history teaches us, can scientific and technical achievements be used to the maximum in the interests of all workers.

The conference took place in a complex political atmosphere. Particularly heated debates between the Western and developing countries arose over such basic aspects of the program of action as the transmission of technology to the young countries, the limitation of the activities of transnational corporations and the assessment of factors impeding equal participation by the developing countries in international cooperation and the development of their own scientific and technical potential. Representatives from the developing countries remarked that the West's obvious desire to retain its monopoly on scientific and technical know-how in relations with the developing countries is aimed at preserving the gap between the West and the developing countries in the field of science and technology.

We would like to underscore once again the tremendous amount of attention the overwhelming majority of participants at the Vienna conference gave to the global problems of the present day, and their admission that solutions will only be found through broad-scale international cooperation. As the report of the Soviet delegation stressed, "either the world will begin to renounce the use of force and work toward disarmament and detente or the headlong race for arms will endanger public safety and make all of the plans for international economic, scientific and technical cooperation unrealistic."

The many years of the UN system's functioning have shown that its mechamism of scientific and technical cooperation has considerable potential in this field. The main objective at present consists in perfecting and strenthening this mechanism, enhancing its operational efficiency and searching for new forms of international cooperation to ensure the resolution of the principal global problems facing mankind.

8588
CSO: 1803

THE 'NUCLEAR EXPORTS' ACT AND ITS EFFECTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 62-67

[Article by V. F. Davydov]

[Text] In March 1978, a solemn ceremony was held in the Oval Office of the White House--the signing of a law on stronger control over the export of nuclear technology and materials. In connection with this, in a speech on 10 March 1978, J. Carter expressed the hope that the nations of the world would "have to adapt their own policy to American policy" and that the "most urgent problem encountered by mankind"--the problem of nuclear nonproliferation--might be satisfactorily solved. In less than 2 years, however, it became clear that U.S. policy, as defined in the new law, was actually promoting the very course of events it was supposed to stop. Harvard University Professor J. Nye, the President's chief adviser on nonproliferation, had to officially admit before his resignation that the law on stronger control over exports of nuclear technology and materials, in the form in which it was passed, was quite probably a "mistake."

In order to understand the reasons for this course of events, it would be wise to determine the role the law was supposed to play in U.S. policy on nonproliferation and to describe the reactions of nations in the capitalist world to its basic provisions.

Washington's vigorous attempts to prevent the further proliferation of dangerous nuclear technology and materials in the world began during the Ford Administration's last months in office. They focused on the U.S. desire to prevent the establishment of the so-called "plutonium economy" in the non-nuclear countries, in which case plants for the reproduction of spent fuel and breeder reactors operating on plutonium would be widespread. On 7 April 1977, the Carter Administration set forth a far-reaching program based on the opinions expressed by a group of scientists from the Massachusetts Institute of Technology in the report "Nuclear Energy: Alternatives and Prospects." In general, the program stipulated that the use of atomic power should be limited to presently operating reactors, that breeders should not be produced and that plutonium should not be regenerated from spent fuel. Otherwise, the danger of the military use of fissionable materials would increase.

The program was based on the belief that it would be possible to obtain international consent to these provisions. First of all, by canceling the commercial regeneration of spent fuel for an indefinite period of time and by stopping the production of breeders, the United States hoped to set a "good example" for other countries; secondly, on the diplomatic level, Washington was striving to convince them to emulate this "good example"; thirdly, efforts were made to achieve mutual understanding on these matters on the international level: In 1977 a representative conference was convened for the international assessment of the nuclear fuel cycle (more than 50 states, including socialist countries, participated). The conference is supposed to conclude its work in the beginning of 1980. The beginning of this investigation of the nuclear fuel cycle was accompanied by an unofficial agreement by participants that no one would, during the course of the conference, take any unilateral steps which might endanger existing nuclear programs or existing international agreements regarding the peaceful use of nuclear power. Moreover, in a speech on 7 April 1977, the U.S. President particularly stressed the fact that "the United States is not trying to impose its will on such nations as Japan, France, England and the FRG, which already have operating plants for the regeneration of spent fuel."

However, while the administration was trying to dispel the suspicions of other countries in regard to the sincerity of U.S. intentions, the 3-year congressional hearings on a new bill pertaining to nuclear energy, which envisaged an absolutely new emphasis in the approach to the resolution of these problems, were coming to an end. The congressmen were disturbed not so much by the refusal of other countries to take U.S. advice regarding the future development of nuclear power engineering as by their use of shipments of American concentrated uranium for purposes not approved by the United States (the nations of the capitalist world import more than 70 percent of the uranium they use from the United States). As a result, one of the key provisions of the law was a seemingly quite simple and reasonable demand: If other countries wanted the United States to continue supplying them with nuclear fuel for power stations, they would have to agree with American views on the further development of nuclear power engineering. Otherwise, the importing nations might be "punished" by having these supplies cut off. Without waiting for the conclusions of the international conference or paying any attention to the majority of countries party to the Nuclear Non-Proliferation Treaty, the United States unilaterally attempted to establish, in this new law, its own standards of behavior in the approach of other countries to problems connected with nuclear power. The law called for the President to reassess U.S. export policy and all existing bilateral agreements on cooperation in the field of nuclear energy to ensure their complete correspondence to this basic U.S. requirement.

What are the main provisions of the new law? It should be noted first of all that it establishes criteria which must be observed in American bilateral agreements with other nations on cooperation in the field of nuclear power and in licenses issued by the Nuclear Exports Regulatory Commission, in order to minimize the risk of nuclear proliferation.

From now on, all agreements concluded by the United States will have to meet all of these criteria. Existing agreements, the number of which reached 30 in 1978, will have to be brought in line with the provisions of the new law.

The implementation of export license requirements has been broken down into two stages--some criteria must be observed immediately, while the rest will be implemented over a period of 2 years. The requirements of the first stage are of fundamental significance in reducing the danger of the use of nuclear power for non-peaceful purposes, such as a ban on the use of exported materials and technology for the production of explosive devices; the establishment of international control over all exports; the provision of adequate safety measures for exported materials; the application of these requirements to all materials and technology produced in the future with the use of the exported goods.

The second stage has been calculated for a specific period of time, with consideration for the fact that the implementation of U.S. requirements could necessitate complex and difficult negotiations with the importing countries. It envisages the institution of international control over all facilities for the peaceful use of nuclear power in non-nuclear countries importing American materials; a ban on the regeneration of spent fuel without the preliminary consent of the United States; a ban on the transfer of imported technology and materials to third parties without U.S. consent.

Agreements on cooperation in this field stipulate these requirements plus the following: the return of all imported technology and materials in the event of the violation, by any country, of agreements on international control or commitments regarding nuclear nonproliferation; a ban on the accumulation of plutonium derived from U.S.-supplied fuel for nuclear reactors in national facilities without the consent of the United States; a ban on the further enrichment of imported uranium without U.S. consent.

The criteria envisaged in the first stage are not new, since they are already being observed in existing agreements.

The second-stage criteria, however, are a totally different matter. The requirement concerning comprehensive control over peaceful atomic facilities as a preliminary condition for exports applies mainly to seven nations importing American materials, whose nuclear activity is not controlled by the IAEA [International Atomic Energy Agency]: Argentina, Brazil, Egypt, Israel, India, Spain and South Africa. Agreements on cooperation with these countries must be revised. It is true that the President can postpone this revision each year if the postponement is not opposed by a majority in both houses of Congress.

The required bans on the regeneration of spent fuel and the transfer of imported technology and materials to third parties without U.S. consent presage complications in relations with importing countries, primarily the states of Western Europe and Japan. The consistent application of these provisions of the law will actually give the United States the right to veto the further development of facilities for the regeneration of spent fuel in countries belonging to the Euratom Association, since most nuclear fuel is of American origin. Therefore, the situation in nuclear power engineering is even more unfavorable for Western Europe than for other importers, which do not have this kind of industrial enterprise as yet. Theoretically, the Euratom countries could certainly get around the restrictions imposed by this law by simply ceasing to purchase concentrated uranium from the United States and by entering into endless negotiations to revise cooperation agreements. But this could have a variety of negative effects on their supply of fuel for their nuclear power stations, considering the limited possibilities of Western Europe in this sphere. If we consider the fact that the application of export license requirements can only be postponed for 2 years, it becomes obvious that neither the United States nor the Western European countries will be able to escape the clarification of their relations in the nuclear sphere even if mutual attempts should be made to reach some kind of compromise. The 1978 law has put them in this position.

An analysis of the text of the law clearly shows that it has several positive features from the standpoint of stronger regulations regarding nonproliferation (for example, the requirement concerning comprehensive control by IAEA). On the other hand, the excessive U.S. desire to unilaterally set limits on the development of nuclear power engineering turns the law into an instrument for the exertion of U.S. pressure on sovereign states.

It is not surprising that the new law evoked a sharply negative reaction in the majority of capitalist countries, since they obviously do not agree with this solution to the atomic energy problem, which is being forced on them by Washington.

Indignation with the U.S. modification of some of the fundamentals of policy in the area of nuclear power engineering, envisaged in the Treaty on Nuclear Non-Proliferation (1968), seized the industrially developed nations as well as the developing states. The latter interpreted this step as the continuation of economic discrimination. "Just as the mastery of the Bible was accompanied by the sword in the good old days of colonialism, the assertion of American views in the matter of nonproliferation appears to be the forerunner of nuclear colonialism," an Indian researcher sarcastically remarked. Most of the developing countries feel that the fear of nuclear proliferation is being used by the United States to deprive these nations of the benefits of the all-round use of nuclear power. The new U.S. export policy is being described as something undermining the entire concept of cooperation between North and South, envisaging the broadest possible exchange of progressive technology.

The Western European countries and Japan see U.S. actions as an attempt to neutralize the reinforcement of the positions of its main rivals in the world markets for nuclear technology, particularly in the industrial mastery of the process of regeneration and the development of breeders. In spite of the new law, France, England, the FRG and Japan have not concealed their intention to continue developing a "plutonium economy," which, in their opinion, is indispensable as a means of satisfying energy needs at a time of acute fuel shortage.

According to preliminary plans for the industrial mastery of the regeneration process, England hoped to acquire around 2,000 tons of spent fuel from Japan and approximately the same amount from the Western European nations throughout the 1980's, and France hoped to acquire around 6,000 tons from Japan, the FRG, Sweden, Switzerland, Belgium, the Netherlands and Australia. As a result of regeneration, around 50 tons of plutonium will be derived, and the profit from this will exceed 3 billion dollars. The FRG and Japan have not abandoned their plans to become involved in this business by commencing the establishment of similar facilities. On the whole, the Western European countries and Japan, according to the press, simply ignored the law at first.

Washington was immediately faced by the dilemma of deciding which position the administration should take in regard to the industrially developed countries--whether it should supply them with concentrated uranium which would soon be regenerated, and thereby set precedents for the developing countries, or adhere firmly to the principles set forth in the new law. In their discussions of the fate and consequences of the U.S. initiatives, American writers stress precisely this impasse. University of Pittsburgh Professor M. Brenner warns: "The new strategy in the nonproliferation sphere leads to an inescapable dilemma: On the one hand, it is not likely to be successful without the support of allies, and on the other, excessive pressure on the allies could result in its total failure."

Pronounced opposition to the White House strategy was also apparent within the United States. During the first year the current administration was in office, the Westinghouse and General Electric nuclear giants were already suffering considerable losses as a result of heightened competition for orders for reactors from French and West German monopolies. According to the data of IAEA, 12 energy reactors were ordered in the entire world in 1977 at a price of approximately 1 billion dollars each. The United States did not receive a single foreign order and its share of the world market was equivalent to zero. It was not until 1978 that American companies received two large orders from South Korea.

Washington's strategy regarding the nonproliferation of dangerous technology was constructed on the premise that the nations utilizing nuclear power for peaceful purposes would be willing to accept increased dependence on the United States in the area of shipments of nuclear reactors and the necessary fuel. Considering the constant attempts of most of the countries to become politically independent of the United States, it is not likely that this kind of economic dependence will be acceptable to them over the long range. It is most likely that they will find ways of satisfying their needs for nuclear technology and materials without depending on the United States. Moreover, Washington has not given any consideration to the fact that the energy situation in the rest of the world sometimes differs sharply from conditions in the United States, which can allow itself to rely mainly on traditional sources of energy. As nuclear technology expert A. Wood correctly pointed out, "for other countries, which regard the breeder as the only hope of securing their own sources of energy, the American arguments are simply irrelevant. For them, the regeneration of fuel is the only possible way of acquiring plutonium for the breeders."

The law was pointedly criticized in FOREIGN AFFAIRS, the organ of the influential American Council on Foreign Relations. Throughout 1979 it regularly contained articles by prominent experts on international affairs, such as S. Hoffman, M. Bundy, T. Neff and H. Jacoby, who advised the administration to renounce the "punitive" points of the law before it was too late. For example, serious concern is expressed by M. Bundy, former adviser to Presidents Kennedy and Johnson who believes that if the "United States continues to insist that it is right, a new coalition could take shape, uniting suppliers and consumers of nuclear technology and materials with more flexible standards and different opinions regarding dangers and benefits." In other words, the U.S. policy could have results that would be the direct opposite of those anticipated--the further proliferation of particularly dangerous nuclear technology and diminished control over it by IAEA.

This threat and the obvious opposition of most countries forced the administration to agree to certain compromises and a more flexible policy. In 1978 and 1979, Washington had to consent to the transfer of spent fuel from Japan to Western European for regeneration and to the start-up of the first section of a regeneration plant in Tokai Mura (Japan). But this agreement on a "modus vivendi" with the United States' chief allies invariably resulted in the further adjustment of policy toward other countries. Otherwise, discrimination against the latter would have been absolutely apparent.

Despite the slight relaxation of U.S. demands, there is no doubt that, in general, all of this can only postpone "head-on confrontations" until such time as the transition period envisaged in the new law comes to a close.

Why is it that one of the main U.S. initiatives in the area of nuclear nonproliferation--the administration's program of 7 April 1977 and the Nuclear Exports Act--met with such strong opposition in the world? Most experts believe that one of the administration's fundamental errors was the fact that the United States was trying to act on its own, without taking the interests of other countries into account, and that it defended the accuracy of its ideas without considering the right of other countries to have different views and opinions.

The coming "tests" of the 1978 law prove that satisfactory solutions to urgent problems in international relations today cannot be found outside the framework of broad-scale international cooperation, as the United States assumed. The unilateral U.S. initiatives, regardless of the noble intentions that might have dictated them, are not likely to be successful if they do not take the vital interests of other nations into account.

The Soviet Union has always insisted that international exchange in the area of nuclear technology and materials must not become a channel for nuclear proliferation, and that comprehensive IAEA control over nuclear facilities in the non-nuclear countries is essential. Steps taken in this field, however, must not threaten the legitimate interests of nations in the area of the peaceful use of the atom--that is, interests unrelated to the desire to acquire nuclear weapons.

8588
CSO: 1803

BUSINESS AND SCIENCE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 67-69

[Article by I. N. Lesin]

[Text] Last year was not an ordinary one for the development of science and technology in the United States. For the first time since 1972, the President felt the need to address Congress with a message on this matter.[1] This White House move evoked widespread reaction in the Congress and in industrial circles. The reaction of the latter was truly stormy. There is a reason for this. American firms are now encountering increasingly fierce competition on the part of the Western European countries and Japan in world markets even in connection with production areas requiring high scientific input, which are responsible for the most profitable and dynamic portion of American exports. This has naturally faced corporations with the need to consider the level of scientific research, not only in their own enterprises, but also on the nationwide scale. This problem has been made all the more acute by the fact that, according to available data, research findings are being put to practical use less often in the United States and the total number of innovations in industry has decreased.

Expressing the general mounting concern over the state of affairs in this field, Gould, the well-known electronics firm, addressed the U.S. business community through FORTUNE magazine, declaring that the high number of Nobel prize winners among American scientists only concealed the mounting "technological crisis" and the reduction of U.S. scientific and technical superiority. This was followed by a statement which has been encountered frequently in American literature in recent years: All of the innovations which had "turned American heads," such as microprocessors, electronic computers, the video tape recorder and videophone, supersonic aviation, complex surgical equipment and many others, resulted from the implementation of scientific ideas that were 10 or 15 years old.

---

[1] For a detailed discussion of the report to Congress on science and technology in 1978 and of the President's Message to Congress in 1979, see the articles by S. K. Geyvandov and G. S. Khozin in Issue No 11 for 1979, pp 60-64.

Big business in the United States is obviously disturbed: Will it still be able to compete in the near future?

An analytical document of the American Chemical Society, pertaining to the painfully urgent matter of innovations and the volume of private capital investments in research and development, notes that the United States was the recognized world leader in the technological field for half a century, but now this leadership is becoming increasingly hypothetical and, moreover, is constantly diminishing. This is attested to by, for example, the following indicators: the pitiful state of the balances of trade and payments; the establishment of their own production by foreign firms with the use of American patents; the reduction of commerce in new products; private capital's preference for research calculated to produce immediate returns.

Moreover, what is arousing particular misgivings in the United States is the almost total cessation of the growth of labor productivity, which is also directly connected with, and a result of, the reduction of capital investments in research and development. According to American economists, these played a decisive role in determining national economic growth and labor productivity levels in the last 70 years.

At first glance, industry's capital investments in research and development still appear quite sizeable. In 1977 industrial firms spent 17.5 billion dollars of their own funds for this purpose. But the lion's share of this sum (85 percent) was spent in only six industries: chemicals and chemical products (including drugs), electrical equipment, communications, machine and instrument building (including computers), the automotive industry and the aerospace industry.

This reflects the high concentration of production in these branches. Just 50 of the largest concerns accounted for three-fourths of all expenditures on research and development in U.S. industry in 1976.

As for the tens of thousands of other relatively large companies, as well as medium-sized and small firms, they are purely and simply incapable of spending enough on research and development, particularly since they are much more vulnerable than the giant corporations to the consequences of economic instability in the nation and "galloping inflation." For this reason, most of them are generally afraid to take big risks with the reserves at their disposal and limit themselves to the improvement of existing products rather than the development of new ones.

The clear tendency toward the reduction of allocations for the most basic requirement--fundamental research--is particularly alarming the heads of big business and leading economists. According to the data of the National Science Foundation, industry's proportional expenditures on this kind of research have fallen to less than half of their previous level: from 34.7 percent in 1953 to 15.1 percent in 1975. As for absolute expenditures--260 million dollars in 1953 and 529 million in 1975--any real increase here was canceled out by inflation.

Now that the United States is encountering increasing pressure from its competitors, business has sounded the alarm. For example, in the above-mentioned document of the American Chemical Society, the dramatic increase in allocations for fundamental research is already described as "imperative." In order to guard against the "excessive risk" connected with capital investments in this kind of research--who knows when it might produce commercial results?--business is demanding that the government assume a "more active role." Above all, this role should consist in the following: to create an atmsophere of "maximum advantage" in industry for private investments in research and development--that is, to institute a system of benefits and incentives for the development of research on the company level--and to provide direct government financing for research when the expense of this kind of study might not be justified.

Pointing to the FRG, Japan and Canada as examples, American business is also demanding the total exemption of expenditures on research and development from taxation, the rendering of assistance to corporations in the form of nonrefundable allocations for the acquisition of scientific equipment and the exemption of all "technology export" income from taxation. In this way, business is pressuring the government to search for solutions in the sphere of research and development largely at the expense of the taxpayer, since the main consideration for the monopolies has always been the profit on invested capital.

As yet, it is difficult to say how far the government will go to satisfy these demands. But something is already being done. A law on federal assistance and cooperation was signed in February 1978; its purpose is to establish a working relationship between regulatory agencies and private business in regard to all questions, including the development of science and technology.

Moreover, what is particularly important is that the draft U.S. budget for 1980 envisages an increase of 9 percent over the 1979 figure in allocations for fundamental research; real expenditures, however, will increase 11.9 percent. But the total sum of government appropriations for research and development will only increase 4.2 percent, which will not even compensate for the inflationary rise in prices. Besides this, the lion's share of these appropriations will once again be used for research and development in the military sphere, and this will naturally continue to complicate the search for solutions to the problems that have become so pressing in American science and industry.

8588
CSO: 1803

'AS LONG AS WE PLAY WE LIVE...'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 69-71

[Article by V. A. Voyna]

[Not translated by JPRS]

CSO: 1803

THE AMERICAN SOUTH

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 72-82

[Article by N. T. Kaburov]

[Not translated by JPRS]

CSO: 1803

THE POWERS THAT BE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 83-92

[First installment of digest by T. G. Il'in of chapters from the book "The Powers That Be" by David Halberstam, Alfred A. Knopf, 1979]

[Text] The name of journalist and reporter David Halberstam is quite familiar to the American reader. After graduating from Harvard University in the mid-1950's, he began his career as a reporter on THE TENNESSEEAN, a small Nashville newspaper, and was later the special correspondent of the NEW YORK TIMES in the Congo, Vietnam and Poland. In 1963 he was awarded the Pulitzer Prize.

Halberstam's latest book, "The Powers That Be," published by Alfred A. Knopf in 1979, deals with the owners of the mass media empires in the United States, people on whom the careers of governors, senators and presidents depended to a tremendous extent. These were Henry Luce, the late owner of Time, Inc., the Chandler dynasty, the owners of the LOS ANGELES TIMES, William Paley and his radio and TV company, the Columbia Broadcasting System, and, finally, the Graham pair (WASHINGTON POST).

We are beginning the publication of a digest of chapters from this book, written by T. G. Il'in. These chapters deal with the history of the LOS ANGELES TIMES.

[Digest not translated by JPRS]

8588
CSO: 1803

INDUSTRIAL TRACTOR MANUFACTURE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 93-101

[Article by K. M. Baranov]

[Not translated by JPRS]

CSO: 1803

GOVERNMENT REGULATION OF QUALITY STANDARDS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 102-110

[Article by L. A. Konareva]

[Text] Under the conditions of the capitalist method of production, the process of setting the necessary and adequate product quality standards is among the extremely complex processes that are difficult to control on the scale of the entire society. In the absence of a unified set of statewide standards, the level of product quality is set by producers--private capitalist enterprises--with a view to their own interests and in the hope of guaranteeing sales for the purpose of maximum profits in an atmosphere of fierce competition.

When product quality standards are being chosen, the top administrators of a firm evaluate a set of external factors, representing goal-oriented guidelines that determine what the consumer or client needs, or restrictions (laws, regulations and compulsory standards), as well as a set of internal factors (personal production potential, the presence of a raw material base, the qualifications of personnel and so forth), determining the possibility of attaining the desired goal. In the era of state-monopolistic capitalism, factors representing compulsory external requirements are acquiring more importance. This is due to the increased centralization of economic regulation, by virtue of which the government is beginning to influence the entire functioning of private capitalist business more, including the process of product quality control.

Forms of government influence are many and varied. For example, it influences the establishment of quality standards as a consumer, as the contracting party ordering scientific studies, military equipment or products for general industrial purposes; it also influences these standards as a body determining the spheres of federal budget application. The means and methods of government influence are diverse, but we will limit ourselves to an examination of those which are implemented with the aid of government regulatory agencies on the basis of federal laws. Although some attempts at this kind of regulation were made as early as the beginning of the century,[1] it is not until now that government activity in the legal regulation of product quality has taken on impressive scales as a result of the heightened instability of the overall economic situation in the capitalist countries and the related appearance of new socioeconomic problems.

The present stage in the development of the U.S. economy has been marked by a constant decline in labor productivity growth rates, a clearly defined energy crisis and the constant escalation of inflation--all of these factors have some relationship to the problem of quality.

In the last decade, commodity prices in the United States almost doubled, which does not in any sense signify that corresponding improvements have been made in their quality. Moreover, inflation simplifies the escalation of prices with no change in quality, and sometimes even when quality has deteriorated. Iowa State University Professor Peter Ries conducted a study in 1977, in which he examined 10,162 brands (or varieties) of 685 types of consumer goods to determine the relationship of commodity price to quality. The results of his study showed that the price of 20 percent of the commodities was inversely proportional to quality--that is, lower-quality commodities were being sold at higher prices. This relationship was most apparent in goods of short-term use, such as cosmetics, perfumes, grooming aids and some types of food. The inverse relationship was discovered in 35 percent of these commodity groups. Ries drew the following conclusions from his study: "Consumers often think that the more expensive product must be better, that it contains better ingredients, is subjected to more thorough technological processing and requires higher individual skill from the manufacturer. In my opinion, however, the only thing that is often higher in more expensive goods is the profit margin. The use of prices as quality indicators is an extremely inefficient consumer strategy, particularly in the case of goods for short-term use."[2] Any additional comment, as they say, would be superfluous here.

Inflationary processes and the absence of a relationship between commodity prices and quality now constitute one of the reasons for the unprecedented outburst of consumerism--the movement to defend the consumer interest and to combat various manipulations by private business with respect to product quality.

The present stage in the development of U.S. industrial production is marked by product differentiation, which means that the market is saturated with commodities of identical functional value but varying levels of quality. In addition, differentiation frequently leads to the unjustified modification of purely external, cosmetic features of the product, which do not affect basic quality indicators; this makes it difficult for the individual consumer to discern actual differences in the quality of similar items. When industrial corporations map out a sales strategy, they strive to attract consumers with the aid of eye-catching shapes and packages and they make extensive use of advertising, which often falsifies the actual quality of goods.

Scientific and technical progress has given birth to huge quantities of new items which did not exist two decades ago. For example, the development of chemistry at a time of natural resource depletion stimulated the replacement of natural material with synthetics, although their side effects and negative influence on human health have not been investigated sufficiently; nonetheless, numerous examples of this influence already exist. One sign of scientific and technical progress is the increasing complexity of many commodities, including electrical appliances for the home. On the one hand, the use of these products represents a qualitatively new step in the satisfaction of human needs, but, on the other, the more complex an item, the greater the probability that it will break down if its components have not been manufactured properly. The related increase in operational expenses is arousing a negative reaction from consumers.

According to prominent quality control expert J. Juran, public dissatisfaction with "false advertising, fraudulent guarantees, low-quality goods and poor service" has been mounting in the United States in the last few years.[3]

Consumer protests against the manipulations of capitalist firms in regard to product quality represent only part of the general problem of the "quality of life." Without going into an investigation of the essence and ideological purpose of this comprehensive term, we will simply note that the quality of consumer goods and of products for industrial use directly influences working and living conditions and human health, and there is no question that these are part of the "quality of life." Besides this, the uncontrolled activities of monopolies have deteriorated the quality of the environment. The level of water and air pollution with industrial waste has climbed to threatening heights.

The problem of personal safety at home on the job and in means of transport has assumed nationwide proportions, and this is attested to by numerous statistical data.

More people died on the job between 1969 and 1973 in the United States than were killed in the war against Vietnam. Each year, 2.2 million people become disabled as a result of work-related accidents. The frequency of industrial accidents rose by 56.4 percent between 1961 and 1971. According to the calculations of the National Safety Council, annual losses connected with the payment of compensation for crippling accidents, the investigation of their causes and the treatment of these accidents were 3.9 billion dollars.[4]

In the beginning of the 1960's, automobile accidents took the lives of 5.5 people for each 100 million miles of travel.[5] Despite the fact that the death rate decreased by 35 percent between 1966 and 1977, 47,000 nonetheless died in traffic accidents in 1977.[6]

According to data for 1970, from 25 to 30 million people in the United States have annually suffered accidents during the operation and use of consumer goods. Of these, 110,000 suffered serious damage with irreversible consequences and 30,000 died. Total losses connected with this amounted to 5.5 billion dollars annually.[7]

Naturally, it would be difficult to use these general statistics as a basis for determining the particular instances of accidents and deaths caused directly by low product quality or the operation of improperly functioning equipment. Many other factors are also at work here. The very scales of these phenomena, however, are eloquent testimony to the problem that has arisen and must be solved. Under these conditions, the government has been forced by overt public pressure to take on some of the responsibility for solving the nationwide problems of insuring safety, improving the "quality of life" and protecting the consumer.

Since the mid-1960's the U.S. Congress has passed a number of laws aimed at the protection of consumer interests; there are now 150 of these in all.[8]

In accordance with these laws, federal regulatory agencies were established at the end of the 1960's and the beginning of the 1970's. These include the Consumer Products Safety Commission (CPSC); the National Highway Traffic Safety Administration (NHTSA); the Occupational Safety and Health Administration (OSHA); the National Institute of Health Protection and Labor Safety of the Department of Health, Education, and Welfare; the Labor Safety and Health Review Commission--an independent agency in the Executive Office of the President; the Environmental Protection Agency (EPA). The abovementioned federal Food and Drug Administration (FDA) should be added to this list.

All of these agencies oversee a complex of programs aimed at ensuring product safety and consumer health. Besides this, several programs with a regulatory effect on the quality of products manufactured by firms are being carried out within the framework of the departments of agriculture, commerce, transportation, energy, and health, education, and welfare and the Federal Trade Commission.

The data below indicate the scales of the activity of some of the regulatory agencies listed[9] [see table on following page].

The very scales of the regulatory agencies and the number of undertakings they are engaged in attest to the indisputable reinforcement of government regulation of national product quality. According to some estimates, more than 1,000 consumer protection programs were carried out in 1974 by just four government agencies.[10]

The reinforcement of government influence on product quality with the aid of legal measures is also attested to by the stricter judicial proceedings against firms manufacturing substandard goods. According to legislation now in effect in 38 states, the individual or collective consumer has the right to sue a manufacturing firm if the operation or consumption of its products causes physical or material damage.

The consumer can sue for damages at any time within 10 years after the initial purchase of the item. The number of suits has risen each year and reached 1 million in 1975. Each year the courts decide from 60,000 to 70,000 cases in favor of the plaintiff. The average amount of damages collected rose from 434,000 dollars in 1971 to 3.5 million in 1976. According to the estimates of the A. T. Kearney consultative firm, fines amounted to 50 billion dollars in 1975 alone.[11]

Agency	Size of staff	Annual budget, millions of dollars
CPSC	900	30
OSHA	2,700	130
FDA	7,500	276
EPA	10,200	1,000

The law imposing stricter liability for substandard products has forced firms to pay special attention to product safety, which is becoming one of the major indicators of quality and to take a number of measures to guarantee this safety.

Functions and Powers of Regulatory Agencies

In terms of volume and nature of influence on product quality, the regulatory agencies listed above can be divided into two groups: agencies concerned mainly with product quality (these include the FDA, the CPSC and, to a considerable extent, the NHTSA), and agencies conducting a broader set of measures to regulate business activity, some of which directly influence the quality of products manufactured by firms. The latter include the EPA and OSHA.

What forms does the regulatory influence of government agencies on product quality take? It is known that the quality of the finished item is the function of two variables: the quality of the design and the quality of manufacturing. The compliance with any requirement specified by law and taking the form of a compulsory standard envisages, above all, changes in the quality of the design to give the item a new feature or new quality indicator it has not previously possessed.

This is a natural process in the setting of new quality standards, which always takes place when a new item is being designed or an existing item is being modernized for so-called voluntary purposes--that is, motivated solely by the desire of the firm to satisfy changing market demands.

Government control introduces a regulatory principle into this process. Planned operational safety, specified operational noise levels, the absence of toxic chemicals, standard exhaust outlets, and energy conservation devices--all of these are becoming regulated indicators. The expansion of the field of regulated indicators gives rise to additional requirements regarding criteria for their assessment and methods for their control, testing, analysis and technological maintenance. This also necessitates a more rigid system of control over the achievement of regulated indicators during the manufacturing process.

Means of government influence on product quality depend on the functions and powers of the regulatory agencies listed above. They are authorized to work out and approve compulsory standards aimed at guaranteed safety, environmental purity, energy conservation and so forth; to enforce these standards by means of judicial measures and penalties; to prohibit the sale of goods not meeting safety requirements and demand their withdrawal from the sales market; to judge the quality of new products and permit their sale.

These agencies have the right to work through the courts to organize "campaigns" for the recall of items by firms for the purpose of correcting potentially dangerous defects,[12] and to demand that firms and trade organizations immediately (within 24 hours) report the discovery of potentially dangerous defects in products being used.

For example, a list drawn up by the CPSC now contains the names of 472 companies which have sent in 650 reports on defects in their products which could be dangerous to the consumer.[13]

Government regulatory agencies have a network of regional branches, the representatives of which are authorized to visit industrial firms for the purpose of verifying the fulfillment of legal requirements, regulations and standards. These agencies gather information, maintain data banks, operate information services and distribute data on dangerous products and the means of handling them.

By law, these agencies have the right to impose fines on firms and institute legal proceedings against the top administrators of companies for the nonobservance of legal requirements. For example, the maximum fine levied by the CPSC is 500,000 dollars. Besides this, administrators of industrial firms guilty of the deliberate violation of legal requirements can be sentenced to a year in prison. The Federal Trade Commission imposes fines on firms and trade organizations convicted of deliberately defrauding the consumer with the aid of false advertising. These fines amount to 10,000 dollars for each day after the establishment has been ordered to cease these practices.[14]

In accordance with these powers, government regulatory agencies conduct measures that have an objectively positive but far from uniform effect on national product quality. All of these measures and means of influence are directly aimed at the improvement of quality.

Above all, these include compulsory standards. The number of these standards rises from year to year. The NHTSA alone has drawn up and approved 48 federal safety standards.[15] The need to observe standard requirements is forcing industrial firms to perfect their designs and production technology. For example, the Chrysler firm made 66 changes in the design of its 1974 car model, reflecting the requirements of safety standards.[16]

By law, government agencies have the right to prohibit the sale of substandard products. The FDA annually removes up to 300 products of these categories from the market. A considerable number of bans have applied to cosmetics, since, according to official statistics, 60,000 cases of their harmful effect on the consumer are recorded each year.[17] Some products are removed from the market on the orders of the CPSC. The highest percentage is represented by such items as TV sets, bicycles, gas stoves, engines, lighters, lawn mowers, air conditioners and chemicals in aerosol cans. In all of these cases, the reason behind the danger of their use has either been a design defect or a manufacturing defect that has been overlooked by inspectors.

One important aspect of government regulation is the assessment of the quality of new products and the official authorization of their sale. For example, the FDA has this power with respect to new medicines. Pharmaceutical firms annually submit up to 400 new medicines to the administration along with voluminous documentation to confirm their successful testing. After evaluating the documents and the medicines themselves, the FDA authorizes their sale, and this often requires from 1.5 to 2 years. The firms must submit a list of the medicines they produce and their ingredients, as well as packaging materials, labels and instructions on their use, ingredients and adverse side effects. A law passed in 1975 gave the FDA the same authority with respect to medical devices.

Agencies like the NHTSA, CPSC and FDA are authorized to demand that firms recall all items in which a potentially dangerous defect has been found, for the purpose of correcting it. The number of firms involved in such campaigns rises from year to year. According to the estimates of American experts, all firms in the automotive industry, three-fourths of the firms manufacturing television sets and more than half of the producers of household appliances will be involved each year in campaigns for the recall of defective products in the near future. In all, the total number of products recalled by firms within 1 year exceeds 25 million.[18]

The scales of these campaigns can be judged from the following examples. A firm manufacturing TV sets recalled 52,000 because the design of the transformer did not include a safety block. Another firm recalled 65,000 dishwashers because of the potential danger of electric shock due to a faulty door design.[19]

Demands regarding the recall of defective products have particularly serious consequences for the activities of automobile corporations. The total number of cars recalled over a period of 10 years (1966-1976) was 52 million.[20] In 1977 alone, the number of automobiles recalled reached a record high of 12.9 million, and 6.5 million had been recalled in 1978 by July.[21] We would be exaggerating, however, if we concluded from this that the automobiles manufactured by U.S. firms are generally of low quality; in the first place, the number of defective vehicles is much lower than the number recalled and, in the second place, accidents are not always caused by defects. In 1973, 251 campaigns were organized for the recall of automobiles by manufacturers. Around 7 million vehicles were recalled at this time, but the number of defective ones did not exceed 1 percent of the total.[22]

In view of the fact that these campaigns cost firms a great deal, it is quite understandable that they are doing everything within their power to avoid them. This has given rise to a lengthy and stubborn struggle between government regulatory agencies and private corporations. It took the NHTSA 7 years to complete its investigation of defects in automobiles manufactured by General Motors, as a result of which a design defect was discovered in the carburetor, which had caused 665 fires. By a court decision in 1976, the NHTSA forced General Motors to recall 800,000 cars with this potentially dangerous defect.[23]

Government regulatory agencies are doing much to collect and analyze information about defective and dangerous commodities.

For example, the consumer service division of the NHTSA has information about all automobiles subject to recall and about each automobile that has not been repaired as yet. In 1977 a special telephone information service was set up in this division, with a 24-hour toll-free number the consumer could call to report a breakdown or to inquire about the disposition of defective automobiles or parts. The consumer who drives a car or is planning to buy one can also learn whether automobiles of this model have been recalled by the firm for the correction of defects.[24]

The CPSC has a national system for the electronic processing of data on accidents and illnesses connected with the operation and use of products, with input units located in the first aid divisions of 119 hospitals and clinics. A special commission task force reviews around 1,000 computer reports each day and analyzes the data in these reports: the circumstances and causes of accidents and the individual psychological and physiological characteristics of the victims. This analysis is used as a basis for singling out accidents caused by possible product defects requiring special investigation, and this is also within the expertise of the commission. Up to 300 cases are investigated each month, and special decisions are made on each of these.

Besides this, the commission receives more than 2,500 consumer complaints regarding injuries and accidents each month. Individual consumers and organizations also send the commission petitions with documented demands for the institution of measures against dangerous commodities. The CPSC received around 300 petitions between 1973 and 1977. The commission must examine the petition and respond to it within 4 months after its receipt.[25]

On the basis of information selected from the automated data bank of complaints, petitions and special investigations, the commission has published a list of the 46 most hazardous items, arranging them in order of such criteria as the frequency and severity of injuries, their causes, their after-effects on the consumer, the probability of injury and so forth.

In an attempt to avoid the huge losses connected with the possible alienation of the consumer or the order to recall defective products, corporations must make a special effort to draw up various types of preventive programs to eliminate defects and improve the quality of the items they produce. The guarantee of product safety is becoming an element of the quality control system and an object of regulation within the framework of a special program. New organizational subdivisions have been set up in several firms to oversee this activity.

Contradictions and Problems

These measures, carried out within the framework of federal programs, seem to have an objectively positive effect on national product quality, but the spontaneous nature of capitalist economic development limits the effectiveness of the machinery of government regulation.

Above all, this applies to the principal means of regulation--the federal standard. According to E. Rosenberg, an EPA official who has had a great deal of work experience in the area of standardization, "standards could have a ruinous effect on competition, product quality and safety, the cost of production and construction and even on the consumer who utilizes these standards."[26] There are reasons for this.

In the first place, in the absence of a government agency responsible for the qualified appraisal of standards, there is the danger that the normative document itself will be of inferior quality. The procedure for the elaboration of standards in the United States is extremely complicated and lengthy and is accompanied by fierce struggle between various groups looking out for their own interests. Government agencies authorized to set compulsory federal standards usually only organize this process. The elaboration itself is performed by one or several groups of experts, representing organizations,[27] who have a great deal of experience in drawing up so-called "voluntary standards"--that is, in the nature of recommendations which are not compulsory. Before the standard can be approved, the agency contracts independent testing laboratories to test and evaluate the quality of standards, after which a lengthy struggle begins over the legalization of the standard and its enforcement. This frequently ends in defeat, sometimes due to monopoly opposition.

Objectively, this procedure makes it possible to draw up a quality standard if the expert task force is truly competent, bases its decisions on the data of tests which adequately reflect the essence of the phenomena, and gives equal consideration to the interests of manufacturers and consumers. In reality, however, the task force is often the target of pressure by influential groups defending the interests of the business community. In this case, the matter might end with the compilation of a dubious document, the use of which will lead to "consumer fraud and the sale of dangerous items which have been certified harmless."[28]

The scandal that broke out in the United States over children's sleepwear is indicative in this respect. Nightgowns and pajamas made of flammable synthetic material caused many severe burns. In accordance with the Inflammable Materials Act, a standard was issued in July 1972, stipulating that material intended for children's sleepwear must be treated with a special chemical compound to reduce the flammability of the fabric. This compound, however, which was then being manufactured in large quantities by chemical companies, had not been subjected to comprehensive tests for the assessment of its effects on the human organism. In 1975 the EPA tested the compound (among others) for toxicity and discovered that is was carcinogenic. The test results were immediately reported to the CPSC, but delays kept the standard from being repealed until April 1977, despite the fact that numerous demands for its repeal had been made by that time, reinforced by data on the carcinogenic properties of the compound, including the results of tests by the National Center for Cancer Research. Moreover, the compound authorized as a substitute for the rejected one is not harmless either. Data on its mutation are already available.

In the second place, the institution of safety standards is an extremely complex matter, since government agencies have to overcome the reluctance of monopolies to increase production overhead costs and the "psychological barriers" set up by consumers. This is another reason why the institution of standards often ends in failure. This was the case with an entire series of NHTSA standards regarding means of protecting drivers and passengers from the shock of impact. Huge amounts were spent in vain to draft technically irreproachable standards, manufacture devices meeting their requirements and install them in automobiles. But the consumers simply did not want to make use of them, and they were repealed.

Naturally, this is not due to the "conservatism" of the consumer, although this does exist, but to the sharp rise in the prices of "improved" goods on the pretext of requirements "imposed from above." Industrialists are using this method quite skillfully and extensively.

Without a unified plan for national economic development and a unified set of standards, the very policy of economic regulation gives rise to contradictory tendencies and conflicts between manufacturers and consumers. This was the subject of heated debates during the course of congressional hearings in August 1977 regarding one of the aspects of CPSC activity. In brief, the matter is essentially the following.

One of the ways of conserving energy under the conditions of the energy crisis involved the provision of incentives to homeowners for the better retention of heat in residential buildings through the use of insulation materials with heightened heat-retention properties. Small firms began to quickly satisfy the demand for these materials. But their limited potential for experimentation, the investigation of the properties of materials and the organization of a quality control system led to a situation in which the materials they manufactured were dangerous to use and a health hazard. Heated debates broke out in Congress, and they have not produced any results to this day. This conflict serves as an example of the lack of efficiency and coordination in the general policy of government regulation.

In spite of the measures taken by the government, many consumers are still encountering goods of unsatisfactory quality. According to the data of a public opinion poll conducted by the Harris Service at the beginning of 1979, 57 percent of the American consumers are deeply disturbed by the poor quality of goods, and when respondents were asked to assess the activities of industrial corporations, 77 percent expressed views that can be summed up in the following words: "They do not care about me at all."[29]

It must be said that the current administration is also disturbed by the inefficiency of regulatory agencies in this field. Various commissions and groups are constantly being formed to investigate and assess their activity, and congressional hearings are being conducted for the same purpose. The administration has made some attempts to improve organizational and administrative procedures, heighten coordination and enhance the effectiveness of product quality regulation measures. The general purpose and nature of this activity, however, have not changed.

FOOTNOTES

1. In 1906 the U.S. Congress passed laws to control meat products and the purity of food products and medicines and to prohibit the sale of dangerous, fraudulent and inferior goods of these categories. The Bureau of Chemicals, established in accordance with the latter law, became the Federal Food and Drug Administration (FDA) in 1931. This is still a powerful regulatory agency. The law itself was reinforced considerably in 1938, and numerous amendments and supplements to the law have been adopted in recent years.

2. QUALITY PROGRESS, February 1978, p 9.

3. QUALITY, December 1977, p 18.

4. CALIFORNIA MANAGEMENT REVIEW, No 1, 1976, p 21; QUALITY PROGRESS, January 1973, p 34.

5. QUALITY, October 1977, p 26.

6. NATION'S BUSINESS, October 1978, p 64.

7. QUALITY MANAGEMENT AND ENGINEERING, October 1973, p 24.

8. Among these, the following laws deserve special mention: on government inspection of the quality of food products and medicines (1960), on packaging and the accuracy of informational labels (1966), on automobile traffic safety (1966) and highway traffic safety (1973), on the protection of children and the guaranteed safety of toys (1969), on environmental protection (protection against radiation and against harmful products and substances, on clean air and water and on noise control), on public health and labor safety (1971), on the safety of consumer goods (1972), on the packaging of poisonous substances, on control over chemically harmful substances, on flammable materials and on the guaranteed safety of medical devices (1975), and on warranties on consumer durables (1975).

9. "Implementation of the Consumer Safety Act," Hearing Before the Subcommittee for Consumers of the Committee on Commerce, Science and Transportation, U.S. Senate, Wash., 1977, p 7.

10. QUALITY PROGRESS, June 1974, p 29.

11. Ibid., August 1977, p 5; PRODUCTION ENGINEERING, No 9, 1978, pp 54, 81; QUALITY PROGRESS, October 1975, p 7.

12. As a rule, all of the measures involved in the organization of the recall of potentially defective items by a firm (the determination of the group of consumers using the item; the distribution of announcements; the organization of delivery; the dismantling of the item; the correction of the defect if it is discovered and so forth) are called a "recall campaign" in the United States.

13. QUALITY PROGRESS, April 1979, p 14.

14. L. Feldman, "Consumer Protection: Problems and Prospects," N.Y., 1976, pp 67, 75.

15. QUALITY, September 1975, p 27.

16. QUALITY MANAGEMENT AND ENGINEERING, September 1974, pp 20-21.

17. BUSINESS WEEK, 19 August 1972, p 37.

18. QUALITY PROGRESS, April 1975, p 9.

19. "Managing Product Recalls," N.Y., 1974, p 13.

20. QUALITY PROGRESS, March 1977, p 5.

21. NATION'S BUSINESS, October 1978, p 64.

22. QUALITY MANAGEMENT AND ENGINEERING, September 1974, p 31.

23. QUALITY PROGRESS, March 1977, p 5.

24. Ibid., December 1977, p 6.

25. "Implementation of the Consumer Safety Act," U.S. Government Printing Office, Wash., 1977, Serial H 95-48, p 27; Serial N 95-52, pp 393-447.

26. CALIFORNIA MANAGEMENT REVIEW, No 1, 1976, p 80.

27. More than 400 organizations draft standards in the United States. These are mainly scientific and technical societies and associations which are competent in their sphere of activity. Their efforts have led to the elaboration of more than 20,000 industrial standards, but there are also more than 36,000 federal standards, and 30,000 of these were drafted by Defense Department agencies.

28. CALIFORNIA MANAGEMENT REVIEW, No 1, 1976, p 82.

29. QUALITY PROGRESS, April 1979, p 11.

8588
CSO: 1803

BOOK REVIEWS

Forecasting: Methods and Applications

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 111-113

[Review by V. G. Klinov of the book "Forecasting. An Appraisal for Policy Makers and Planners" by W. Ascher, Baltimore, The Johns Hopkins University Press, 1979, XIV + 239 pages]

[Text] This book by an instructor at Johns Hopkins University--an expert in the area of forecasting--discusses the role of forecasting in policy-making in the United States and analyzes the present status and future prospects of economic and social forecasting. The author examines the significance of the theoretical interpretation of economic and social processes and methods of forecasting for the quality of judgments and the distinctive features of forecasts of population reproduction, economic development, energy production and consumption and the evolution of technical progress.

His research is based on an analysis of many works and articles on forecasting and policy-making, published in the United States between 1891 and 1976. The study also rests on an original evaluation of "100 forecasts" compiled and published in the United States since the war (p XIII).

Ascher comments on the intensive development of forecasting, describes the current division of labor in the national forecasting system and discusses qualitative advances in forecasting techniques and in their utilization in policy-making. The author's main conclusion is that the present state of forecasting in the United States does not meet the demands of contemporary policy-making. "The problems being encountered by the United States seem more urgent than they could be," Ascher hypothesizes, "due to the faulty prediction and evaluation of future trends" (p 1).

There is no shortage of forecasts in the United States today. They are regularly drawn up by federal departments, large corporations, academic institutions, commercial publishing houses and private research firms.

The compilation of forecasts has taken on particularly massive scales in large corporations. Huge sums are spent by the corporations so that forecasts of macroeconomic tendencies and general trends in technical development, drawn up in national centers, can be used as a basis for evaluating prospects in the sale of the particular goods and services concerning the given corporations. According to estimates cited in the book, 500-600 of the largest U.S. corporations spent around 500,000 dollars each in the mid-1970's annually on the compilation of their own forecasts and approximately another 100,000 dollars on the purchase of forecasts drawn up by national scientific centers (p 21). According to the data of FORTUNE magazine, the income of just the three leading firms specializing in forecasting--Wharton Economic Forecasting Unit (managed by Lawrence Klein), Data Resources (headed by Otto Eckstein) and Chase Econometrics (managed by Michael Evans)--exceeds 10 million dollars annually (p 61).

Forecasts are playing a more important role in policy-making. Forecasts are no longer isolated doses of information and nothing more. They are being systematically utilized more and more in the determination and choice of political objectives and alternative means of their attainment. In other words, forecasting is evolving "directly into a process of decision-making" (p 3). On the corporate level, this takes the form of "corporate planning models," within the framework of which the possible development of corporate activities is described for an average of 8 years into the future (p 22).

Similar tendencies can be observed in federal government agencies responsible for policy-making, but here the evolution of forecasting into planning activity is being impeded by powerful ideological obstacles, since, as the author points out, the anticommunism of the late 1940's and 1950's "equated planning with totalitarianism" (p 26).

The present level of forecasting is too low, and this is also keeping it from playing a more important role in policy-making. "Despite the considerable improvement in forecasting techniques," Ascher writes, "neither the public nor the private sector can boast of an impressive series of successes in the prediction of future problems and events" (p 1).

In the final analysis, the author states, the value of the forecast as information is not as important as its ability to stimulate "good decisions and policy" (p 3), but problems in evaluating the reliability of forecasts are extremely acute. At present, these problems are being solved quite unsatisfactorily, as the author points out, in the United States.

Specialists approach the assessment of the forecast's reliability from the standpoint of "insiders"--that is, persons familiar with the kitchen where the forecasts are cooked up. This means that they consider the very method used to solve the forecasting problem, namely the degree to which basic hypotheses are valid and complete, analysis is logical and methods are suitable for the resolution of the particular problem. The so-called "validity check" of forecasts, based on a critical analysis of the hypotheses that serve directly or indirectly as a basis for the forecast, is of particular significance (p 63).

Politicians, as the users of the forecast, approach their assessment from the standpoint of "outsiders"--that is, persons unfamiliar with forecasting techniques. They are interested less in the scientific soundness of forecasts than in their relationship to actual data from the past. In other words, they are interested in whether certain institutes tend to overestimate or underestimate forecasted trends, and to what degree.

Purely external characteristics frequently play the deciding role in the choice of a forecast for the policy-making process. These characteristics include the prestige of the organizations or programs financing the forecasting studies, the reputation for objectivity of the organizations responsible for the compilation of forecasts, the suitability of the forecasting statements for use as a basis for political decisions, and so forth. Great significance is also attached to the use of complex mathematical models and modern computer equipment in the forecasting process.

The author attempts a comprehensive analysis of the dependence of forecasting accuracy on a variety of factors. Accuracy is not the only criterion used for judging the value of forecasts, but it is the most convenient one for comparing the most diverse forecasts. The most important conclusion drawn by the author in this connection is that the use of more complex methods (meaning the use of large-scale mathematical models with hundreds of equations), in contrast to the methods of extrapolation, correlation, small-scale models or expert appraisals, does not necessarily heighten the accuracy of forecasts. In reference to the results of forecasting in the United States during the postwar period, the author remarks that the "anticipated advantages of more complex methods simply did not materialize" (p 199). The "fundamental" (as the author terms them) hypotheses on which the forecast is based are of much greater significance for the accuracy of forecasts and for other indicators of forecasting quality. As the author stresses, the hypotheses "representing the author's fundamental beliefs about the conditions in which a certain tendency is developing constitute the chief factor determining the accuracy of the forecast" (p 199).

The most serious errors in forecasting, according to the author, are connected with the phenomenon of hypothesis "lag"--that is, with the use of outdated hypotheses which reflect the peculiarities of development in the past but interfere with the acquisition of a correct perspective into the future.

Among other conclusions of interest, special mention should be made of the author's remarks on the institutional peculiarities of forecasts, the dependence of forecasting accuracy on the duration of the forecasted period, on the quality of initial information and on the ability to analyze this information, and so forth.

Another conclusion applying to all postwar forecasts is that their accuracy decreases as the length of the forecasted period increases. For example, 15-year forecasts are less accurate than 10-year forecasts, and these in turn are not as reliable as 5-year forecasts. According to the author, this is due to the fact that changes in the economic structure destroy the foundation on which forecasts are built. The longer the forecasted period, the greater the probability of considerable structural change; and the more changes there are in the structure, the more difficult it becomes to predict the future on the basis of past tendencies. This does not in any way imply that long-range forecasting should be abandoned. The diminished accuracy of forecasts is more than compensated for by the value of timely warnings regarding impending changes. It takes industrial corporations many years to develop new equipment to meet the specific requirements of the forecasted future. Research, development and mastery of the production of new equipment take more than 10 years (p 85).

A discerning evaluation of the part played by mathematical modeling in the development of forecasting is not in any sense equivalent to a denial of the promising aspects of this field. The author points out such merits of mathematical modeling as the possibility of tracing the most remote consequences of certain phenomena in various economic fields. Besides this, the very development of modeling aids in the intensive and thorough elaboration of economic theory.

Ascher's book is interesting because it directs attention to forecasting as an important basis for policy-making and planning under present conditions, and because the author has succeeded in specifying a number of pressing problems in the development of forecasting.

Multinationals as Political Tools

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
p 113

[Review by V. Yu. Presnyakov of a Russian translation of the book "American Company: The Tragedy of United Fruit" by T. McCann, Moscow, Progress, 1979, 269 pages]

[Text] This book by T. McCann, one of the former heads of the corporation, belongs to the genre of the "fictional-documentary biographies" of the major companies in the capitalist world. The author examines the activities of United Fruit--now a large and diversified manufacturer of a variety of food products, with a total sales volume of 2.5 billion dollars and with 50,000 employees in enterprises and plantations in the United States and abroad--through the prism of the personalities and behavior of its administrators, personifying the characteristic features of contemporary American managers of the top echelon. The central theme of the work is a description of the means and methods of extorting maximum profits.

As we know, United Fruit symbolized and personified the most aggressive aspects of American imperialism for many years and was even knicknamed the "banana octopus." For this reason, the author's attempt to truthfully describe the company's shady past, which is generally hushed up in the official American press, gives the work added interest.

McCann admits that companies like United Fruit have become the political tools of American ruling circles and conduct "their own" international policy--mainly by confidential means. The author reveals the essence of the popular U.S. theory of "complex revolution"--a perfected system of means and methods of overthrowing governments that displease American imperialism.

Using United Fruit as an example, the reader can trace the development of several new features, characteristic of the monopolistic enterprise, particularly in recent decades, in such areas as the organization of production and sales, interrelations between central and peripheral links, the problem of product renewal, the diversification of production, the manipulation of consumer demand, and many others.

Oil Companies and the Government

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 113-114

[Review by R. I. Zimenkov of the book "SShA: Neftyanyye kontserny i gosudarstva" by Ye. V. Bugrov, Moscow, Nauka, 1978, 264 pages]

[Text] The monograph being reviewed is the first fundamental study in Soviet economic literature to examine the consequences of the energy crisis in the capitalist world, connected with the activities of American oil concerns and government intervention in the energy sphere.

The author examines the scales and forms of monopoly influence on the structural reorganization of U.S. fuel and energy reserves since the end of World War II. According to the author, the consequences of the excessive power wielded by U.S. oil monopolies have taken the form of serious delays in the development of American energy and raw material reserves, more pronounced disparities between the consumption of fuel and energy resources and their national production, and the growing dependence of the nation on imported oil.

The author conclusively proves that the metamorphosis of the largest U.S. oil concerns into energy companies as a result of horizontal integration represents a new stage in the increasing concentration of production and capital on an intersectorial basis and the development of monopolistic processes in new forms throughout the energy and raw material sector of the American economy.

The monopolistic behavior of the petroleum business is inseparable from the role of government in the energy sphere. Since World War II, the United States has been following an officially undeclared, but apparent course which has essentially become a long-range state-monopolistic program for the robbery of the natural wealth of the oil-producing countries. The interests of the oil companies have been coordinated with American political and strategic interests. The energy crisis in the capitalist world, which had profound effects on all aspects of political and economic life in the United States, testifies to the failure of this course and reveals the profound contradictions of state-monopolistic regulation in this area.

Describing a series of federal plans intended to stimulate the working of national energy resources, the author concludes that state-monopolistic regulation of the U.S. energy sector is no guarantee of reduced American oil imports in the next few years. The United States' dependence on foreign oil, the author stresses, is becoming chronic and is making economic and political problems more acute.

Sports in America

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 114-115

[Review by L. A. Zarokhovich of the book "SShA: Sport i obshchestvo" by Roman Kiselev Moscow, Fizkul'tura i sport, 1978, 127 pages]

[Text] On the basis of abundant factual material, the author describes many of the unseen means by which politicians and show business moguls exploit sports and discusses the methods of U.S. sports policy within the framework of the international athletic movement and the role of sports in the activities of the notorious "Peace Corps."

For a more thorough understanding of the present level of athletic development, it is necessary to know something about the organizational and procedural peculiarities of the training of new athletes in the nation and the structure of U.S. athletic organizations. The training of new athletes in the United States, in contrast to, for example, the Soviet Union, is concentrated in secondary and higher academic institutions, which train replacements for professional athletes and amateurs representing the United States in major international competitions. The particular attention given to this theme is another one of the book's merits.

Kiselev's book essentially represents the first step in a study of sports in the United States. And it is probably precisely for this reason that it is not devoid of shortcomings. One of them is the absence of any description of the positive elements of American sports. This particularly applies to the mass construction and use of sports facilities and the production of a huge assortment of high-quality sporting and camping goods and special training equipment.

Almost nothing is said in the book about the organization of the science of sports in the United States, which is distinguished by high professional and organizational standards. It is here that monumental works such as the "Encyclopedia of Sports Science and Medicine," have been published, important discoveries have been made in the field of sports accidents and their treatment and several interesting works have been written about the economic and sociological aspects of athletics. There is no critical analysis of the views of American sociologists (for example, Bronfenbrenner), who regard sports as an ideal model for research into the theory of small groups and social psychology in general.

The national sports--baseball and football--which are extremely popular, are discussed in a somewhat onesided manner. It is hardly apt to dismiss football as a mere surrogate for violence. In general, this game requires exceptional strength of will, speed and power from the players, develops tactical thinking and has much in common with war games (it is precisely for this reason that it is widely used in the U.S. Army). The study of such a unique athletic phenomenon as the American game of football could, in particular, contribute a great deal to a more thorough understanding of the methods used in the preparation of American youth "for life."

More attention, it seems to us, should have been given to army athletics and the methods of physical training in various branches of the armed services, the role of sports in correctional institutions and religious propaganda within the framework of the Young Men's Christian Association.

The author provides virtually no arguments to back up his conclusion that the entire American sports sector is suffering a crisis. If this is true, then how do we explain the fact that, despite the weak performance of the U.S. team in Montreal, American athletes are still the chief potential rivals of the Soviet athletes in the coming Moscow Olympic Games, that federal funds amounting to 17 million dollars have been allocated for the needs of the National Olympic Committee of the United States, that an ultra-modern Olympic training facility has been built in Colorado Springs, that the U.S. team was far ahead of all the others in the Pan-American Games in July 1979, that the United States has agreed to host two sets of Olympic games--winter and summer, that the scales of professional sports are not diminishing, that the audience for baseball and football games is quite large, and that a multitude of sports periodicals and books on sports are published and bought in the United States.

Obviously, all of this should be taken into account for a totally objective assessment of the present state of American sports.

On the whole, the book is interesting and useful. Besides this, it will stimulate new studies of American sports--this major social factor in the life of the largest country of the capitalist world.

8588
CSO: 1803

THOMAS J. WATSON, JR.--NEW U.S. AMBASSADOR TO THE USSR

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80 pp 116-117

[Article by N. S.]

[Text] Thomas J. Watson, Jr. has arrived in Moscow to serve as U.S. ambassador to the Soviet Union. He is replacing M. Toone, who has retired.

Ambassador Thomas John Watson, Jr. was born on 8 January 1914 in Dayton, Ohio. His father was a businessman, the head of a firm. That same year, Thomas Watson, Sr. moved his family to New York, where he took charge of a company manufacturing office equipment. Since 1924 this firm has been called International Business Machines (IBM)--presently the world's largest corporation for the manufacture of electronic calculators and computers, information systems and office equipment. The company has enterprises and branches in the United States and in many other countries.

Thomas Watson was educated in private schools. In 1937 he graduated from prestigious Brown University with a liberal arts degree. After this, he accumulated managerial experience in jobs at IBM enterprises and headquarters.

During World War II, T. Watson served in the U.S. Air Force (from 1940 through 1945); he logged 2,000 hours of flight time and was awarded combat decorations. Watson was among the first American pilots to lay the course for freight shipments from Alaska to the Soviet Union in accordance with the lend-lease program. For 6 months he served in the USSR. Watson retired in 1945 with the rank of lieutenant-colonel and returned to IBM, where he became a company vice president. In 1952 he took his father's place as president of IBM. Between 1961 and 1971 Watson was chairman of the board of company directors. He persuaded many individuals who had held high government offices at one time or another to serve on the IBM board of directors. They included former attorney general in the Johnson Administration, N. Katzenbach, former cabinet members in the Ford Administration C. Hills and W. Coleman and current cabinet members Secretary of State C. Vance and Secretary of Defense H. Brown.

Thomas Watson's brother, A. Watson, was also prominent in business and politics; he was U.S. ambassador to France in 1970-1972.

In 1971 T. Watson left the IBM administration, but he continued to serve as chairman of the company executive committee until recently.

The economic power of IBM, Watson's widespread contacts and his status in the business community and the political sphere have made him one of the most influential figures in U.S. business and political circles. In the 1970's he was a member of the board of directors of several of the largest American financial and industrial corporations: Bankers Trust Company, Pan-American World Airways, Time, Inc., and others. For a long time, Watson headed one of the most influential organizations in the U.S. business community--the Business Council--and was a member of the extremely influential Council on Foreign Relations in New York. He is a trustee of Brown University, the California Institute of Technology, the Rockefeller Foundation, the John F. Kennedy Library, the American Museum of Natural History, etc.

In politics, Thomas Watson leans more toward the Democratic Party. In the presidential elections of 1960 and 1964 he supported Kennedy and Johnson. During the 1972 campaign Watson was a member of the "Democrats for Nixon" organization, but in the 1976 election he again supported the Democratic candidate--that is, J. Carter.

Watson has invariably combined his business activity with membership on various high-level committees. For example, as early as 1955 he headed a committee for the investigation of juvenile delinquency in New York. This committee was formed on the initiative of then state Governor A. Harriman, with whom Watson has had a long and close relationship. In 1960 and 1961 he was a member of the President's Committee on National Priorities. Between 1961 and 1969 he worked on the advisory committee set up under the Kennedy Administration for the investigation of interrelations between unions and employers. In 1978 President Carter appointed Watson chairman of the advisory committee of the Arms Control and Disarmament Agency.

Watson has repeatedly expressed his support for the policy of detente. Between 1975 and 1978 he was a member of the American Committee on East-West Accord. In a recent WASHINGTON POST interview, Watson laid particular stress on the following lesson: It will be impossible to enter into confrontation with one another, as was often the case in the past.... After all, just one incorrect judgment could lead to serious consequences.

Watson's appointment as U.S. ambassador to the USSR was announced on 20 July 1979--that is, soon after the Soviet-U.S. treaty on strategic arms limitation (SALT II) was signed in Vienna. In reference to this appointment, the American press noted that this was the first time in postwar history that the U.S. ambassador to the Soviet Union would not be a career diplomat, but a representative of the top echelon of business and political circles.

When Watson spoke in the Senate Foreign Relations Committee at the time when his candidacy for the ambassadorial office was being debated, he expressed the hope that the ratification of the SALT II treaty by the United States would lead the way "to new heights in Soviet-American relations."

The U.S. President's decision to appoint Watson to this post was unanimously approved by the Senate on 2 August 1979.

When he submitted his credentials, Thomas Watson said: "This is not the first time I have been in the Soviet Union. I have fond memories of the period of wartime cooperation between the United States and the Soviet Union, when I served here as a U.S. Air Force pilot. I will never forget the heroism of the Soviet people, heroism which I saw in various parts of your country. Now that we are faced by the complexities of our current interrelations, we must recall this spirit of wartime cooperation."

8588
CSO: 1803

WASHINGTON'S AFRICAN POLICY AND AFRICAN STUDIES IN THE UNITED STATES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 80
pp 118-125

[Article by M. L. Vishnevskiy]

[Text] American policy toward the African countries is now developing under the conditions of detente, deeper processes of national liberation and more intense ideological struggle in the international arena. American ruling circles are striving to slow down the effects of the tendency toward "socialization" in the African countries (in the 1970's, Ethiopia, Benin, Angola, Mozambique and a number of other countries took the course of non-capitalist development). The methods and means used for the attainment of this goal are quite varied, ranging from the use of "assistance" programs and a search for political accomplices to the attempted exertion of military and political pressure. Ever since the current administration took power, political methods of exerting influence on events in Africa have been employed particularly extensively. For example, in April 1978, the U.S. President made an official visit to Nigeria and Liberia--the first since any nation in Tropical Africa won political independence.

For several reasons, it is precisely Africa that is becoming one of the main spheres of the U.S. struggle to keep the developing world in the capitalist system. These reasons include, on the one hand, the upsurge of the national liberation movement in the region (the revolution in Ethiopia, the intensification of the popular struggle in Namibia and Zimbabwe and the reinforcement of the independent Nigerian foreign policy line), the expansion of processes of social differentiation in African society and the further spread of the ideas of scientific socialism in the African countries, and, on the other, the increasing U.S. dependence on imports of strategic raw materials from Africa (from 85 to 100 percent for some resources)[1] and the growing strategic importance of the Indian Ocean and, consequently, the East African countries in its basin.

In spite of all the efforts made by the United States, however, the main tendency on the continent is the gradual decline of the influence of leading Western powers. With the material, moral and political support of the socialist community, the African people are forcing imperialism to accept one defeat after another. The events in Angola, and later in the Horn of Africa, proved that the West in general, and the United States in particular, could no longer interfere in the resolution of problems in the developing countries.

Under these conditions, U.S. ruling circles are striving for compromises and unification with their Western European allies, particularly within the framework of the "trilateral strategy," in order to retain their own positions in Africa. But the inter-imperialist conflicts separating the Western countries are making this impossible, even though certain short-lived successes can sometimes occur (the joint action of the United States, Belgium and France in Zaire in 1978 and the "regulation" of the Namibian and Rhodesian problems).

The situation in today's Africa is complex and contradictory. Forces for peace and progress achieved perceptible successes by the end of the 1970's. At the same time, the origination and intensification of reactionary nationalist tendencies in the policies of some African governments, which aggravated conflict situations on the continent, revealed new opportunities for U.S. intervention in the affairs of this region.

The change in the global situation and the abovementioned changes in Africa necessitated the reconsideration of beliefs about this region and its problems in American academic circles, and a search for new recommendations concerning ways and methods of strengthening the positions of American imperialism in Africa.

African Studies in the United States Today

For a long time in the United States, the problems of the African countries were only studied in universities--that is, academic institutions--and only the Afro-American Institute conducted academic research in the field of African studies. Even this institute, however, was concerned more with the study of the impact of government proposals than with scientific analyses.

This state of affairs in U.S. African studies was the result of the prevailing view in U.S. ruling circles in the 1960's and early 1970's that Africa was of little importance to the United States. Describing the position of ruling circles regarding this region at that time, assistant editor J. Whitaker of FOREIGN AFFAIRS magazine wrote: "Black Africa was regarded merely as a group of small, poor states with no significant influence on international events."[2]

University centers of African studies concentrated more on the investigation of temporary changes in African affairs than on in-depth, broad-scale analyses of African problems. American centers of African studies were often used as a "cover" for CIA operations, as this agency was striving to influence the domestic political situation in certain "key" African countries--that is, in countries which were important to the United States in the political, economic and military sense at a particular time--by means of military-political blackmail and coercion and the organization of coups and putsches. By the end of the 1970's these "key" countries included Morocco, Tunisia, Sudan, Kenya, Zambia, Zaire and Nigeria.[3]

The cooperation of American African studies centers with the CIA gave African research an absolutely definite purpose and did not allow for a scientific approach to serious political problems of a long-range nature. Some American experts on African affairs (W. Nielsen, W. Skurnik, J. Bender and others) tried to correct the situation and published several works in the late 1960's and early 1970's in which they tried to convince Congress and the administration of the urgent need to restructure the work of African studies centers and begin working in earnest on possible problems in future U.S. relations with the African countries, particularly since it was already apparent in the early 1970's that the inevitable collapse of the Portuguese colonial empire, with all of the attending circumstances, was near.[4]

The efforts of these scholars did not meet with total success. As former Director W. Nielsen of the Afro-American Institute testified,[5] U.S. ruling circles continued to ignore the national liberation movement of the African people and took measures only to broaden African studies and the interpretation of historical tendencies in Afro-American relations. This resulted in the publication of E. Chester's "Clash of Titans" and R. Howe's "Along the Africa Shore," about the 200-year history of U.S. relations with the African countries.[6]

The disintegration of the Portuguese colonial empire and the revolution in Ethiopia accelerated the development of an academic approach to African studies and the determination of the priorities of U.S. policy in Africa. In the mid-1970's, two collective works were published--"Africa: From Mystery to Maze" and "Africa and United States Vital Interests"--in which the first attempt was made at a comprehensive examination of the role and significance of African countries for American foreign policy in general and contemporary relations with the developing countries in particular; at the determination of U.S. interests and their possible modification in connection with predicted changes in the domestic political situation in the African states; at the determination of the degree and scales of the development of the national liberation movement in the region; and at an examination of the probability of armed conflict in southern Africa and its possible consequences for the Western world.[7]

The leading centers of American African studies at the end of the 1970's were the University of California in San Diego, the universities of New York and Colorado and the Afro-American Institute. It is here that the most prominent experts on African affairs work--Professors W. Cotter, J. Bender, I. Zartman, W. Skurnik and others. These centers are primarily engaged in the study of the international relations of African countries and the elaboration of concrete recommendations regarding U.S. African policy.

Other centers of African studies (Florida, Pittsburgh and Temple universities) are concentrating on the history of the African countries, their culture, languages, religions and ideologies. These centers are not as closely connected with the federal government.

The increasing significance of Africa for the United States in the end of the 1970's and the scales of the tasks lying ahead for American African studies brought new people into the field who had never studied African affairs before. These "temporary" experts on African affairs (for example, G. Ball and C. Yost) write mainly about the international relations of the African countries in connection with their principal area of interest--Soviet-U.S. relations. The "intrusion" of these theoreticians into African studies signifies that U.S. ruling circles are now striving to associate African problems with the search for ways of reinforcing the global positions of American imperialism in general and the reinforcement of relations with the developing countries in particular. It is not surprising that G. Ball and others are using the African theme as a point of departure for broader conclusions regarding U.S. foreign policy strategy. For example, R. Copson investigates the possibility of U.S. participation in the settlement of inter-African conflicts and stresses that the United States should, on principle, refrain from the policy of open intervention and encourage "local"--that is, involving only the African countries--settlement.[8]

The existence of many American centers of African studies and the arrival of "temporary" experts have led to a diversity of opinions and views regarding the situation in Africa, the prospects for the future development of this situation and government policy-making. There are now two large groups of scholars in the field of African studies whose opinions and recommendations are influencing the current administration's elaboration and implementation of African policy.

Representatives of the first and largest group (J. Bender from the University of California in San Diego, I. Zartman from New York University, W. Skurnik from the University of Colorado and others) feel that the United States should take a more positive stand on the national liberation movement of the African people and not "abuse" intervention. They believe that economic leverage should be given priority in the struggle to keep Africa in the capitalist system.

The other group of African experts (political science Professors G. Kemp from Tufts University, R. Bissell from Temple University and others) examine African problems from an anti-Soviet standpoint. They are misrepresenting the motives of Soviet and Cuban behavior in the African countries by accusing them of trying to encourage "leftist radicalism" for the purpose of establishing "strategic superiority" over the United States. They are advising the government to "recognize and support" moderate African regimes and not exert any kind of pressure on racists.[9]

Both groups agree, however, that the influence of the socialist community on sociopolitical and economic processes in Africa must be counteracted and minimized, but each group recommends different ways and methods of attaining this goal.

African Studies in the United States and the Popular Struggle in Southern Africa

During the second half of the 1970's, problems connected with the national liberation of the people of Rhodesia, Namibia and South Africa and the role of the United States in southern Africa became the subject of a tense struggle of ideas. The first steps taken by the Carter Administration, aimed at playing up to national liberation movements, aroused fierce criticism from the particular experts on African affairs who believed that the United States was putting its money on the wrong forces and that American efforts could not prevent a "race war."[10] For example, G. Ball argued that the military, economic and political power of South Africa was "great" and that "partisan actions will be unsuccessful." He recommended that the administration "carefully and tactfully" persuade the racists of the need to carry out a set of social reforms.[11]

Giving in to the pressure of pro-racist groups, the Democratic Administration tried to change course and implement their recommendations. In particular, in October 1978 the State Department issued entry visas to I. Smith. leader of the Rhodesian racists, and three of his African "colleagues in the transitional government." They were invited to the United States by a group of senators, headed by S. Hayakawa (Republican, California), who hoped to talk the Rhodesians into agreeing to a compromise on the transfer of power to the African majority. Cyrus Vance and other administration spokesmen met with I. Smith, but the racist leader's desire to gain immediate U.S. recognition of his regime after the holding of so-called "free elections" led to the official cessation of the talks.[12]

The Carter Administration's display of inconsistency and its inclination to seek political compromise with the racists and their African proteges aroused resistance from experts on Africa who were appealing for a fuller recognition of the actual state of affairs. University of Illinois political science Professor R. Payne stressed that the exertion of resolute pressure on the racists would force them to renounce their ambitions and admit the full gravity of the consequences of prolonged minority rule for the Western world.[13]

An even more definite statement was made by E. Nagorski, one of the authors of "Africa and United States Vital Interests." He wrote: "The lesson of Rhodesia shows that a white minority regime cannot exist independently anywhere in Africa. For this reason, that which can be regarded as an alliance between the United States and the strongest of the white states represents the most serious kind of political error."[14]

The author backs up this conclusion, which was so "excruciatingly painful" for racist groups in the United States, with recommendations which could, in his opinion, effect the "peaceful evolution" of South African society. Nagorski proposes that the United States organize an international boycott of South Africa,[15] which would hasten the coming of African majority rule. In fact, however, the Carter Administration is violating even those sanctions which already exist. In particular, in October 1978, Secretary of State C. Vance discussed Namibia with the racists in Pretoria, although it is well known that the South African Government is illegally governing this territory and, therefore, has no right to determine its fate.

The recommendations of those who advocate the exertion of pressure on racist regimes did, however, bring about some modification of government policy in the summer of 1979. The protests of the overwhelming majority of African countries, demanding that the results of the elections in South Rhodesia and the Muzorewa Government not be recognized, also played a part in this. President Carter declared that, in spite of the Senate resolution lifting sanctions against Rhodesia, he did not believe that all "democratic procedures" had been observed in the April elections. Washington later tried to find a compromise solution to the Rhodesian problem.

African Studies in the United States Regarding Means of Struggle Against Forces for Peace and Socialism

The active internationalist policy of the nations of the socialist community in Africa in the mid-1970's and the generally unfavorable changes in this region for the interests of American imperialism led to a situation in which the accusation of the Soviet Union of "intervention in the internal affairs of African countries" could no longer serve as a mobilizing factor in winning conservative African regimes over to the American side. Through all of their actions, the USSR and other members of the socialist community refuted the fabrications of American propaganda and demonstrated their willingness to help people who are the victims of aggression and are fighting against apartheid, racist and reactionary regimes.

It was essential that new means and methods of strengthening U.S. influence in Africa be found. The recommendations of political scientists were contradictory. Some experts on African affairs believed that the solution lay in the employment of political methods to persuade moderate and so-called "neutral"--according to the definition of K. Lidgem, one of the authors of "Africa and United States Vital Interests"--African leaders to support Western policy. According to this writer, "approximately 13 African countries maintain a balance" between supporters and opponents of the socialist presence in Africa.[16]

Some American experts on African affairs suggested that the mounting nationalism in a number of African countries be utilized in the U.S. interest. In August 1978, H. Nickel, expert on Africa and FORTUNE magazine contributor, published an article in which he tried to prove that the Carter Administration was making a mistake in resurrecting the old interventionist methods for the purpose of counteracting the increasing prestige of forces for peace and socialism (he was referring to the joint action of the United States, France and Belgium in Zaire in May 1978). Using the events in Shaba province as an example, Nickel argued that a negative policy, aimed exclusively at counteracting Soviet and Cuban participation in African affairs, would be both dangerous and unproductive and that it would be wisest to help the Africans increase their self-defense potential in such situations.[17]

Another group of experts on Africa, headed by political science professor and former U.S. Representative to the United Nations C. Yost, believed that the tactic of supporting nationalism could not, in itself, counteract the policies of socialist countries in Africa, and that it would be necessary to give primary consideration to the particular tendencies in this nationalism that were aimed at struggle against the socialist ideology in general, and not those which simply reflected the chauvinistic feelings of some African leaders.[18]

The present administration has armed itself with what it regards as the most "effective" recommendations of both groups: expansion of the circle of African countries receiving American weapons for the purpose of "ensuring the ability of Africans to provide for their own defense" and the encouragement of nationalist feelings in the leaders of countries with a socialist orientation. It was assumed that the complex of these measures would prevent all-round cooperation between African states and the socialist community.

In the 1980 fiscal year, U.S. military assistance has been offered to Somalia,[19] the leaders of which, with Washington's encouragement, started a war against Ethiopia in 1977-1978. An American delegation, headed by D. McHenry, deputy permanent representative of the United States to the United Nations (now the permanent representative), was sent to Angola. Washington mediated the regulation of intergovernmental relations between Angola and Zaire. In December 1978, Senator G. McGovern visited Luanda and negotiated the establishment of diplomatic relations with Angola, stipulating that this would be conditional upon the "limitation of Cuban military presence" in the country. The government of Angola rejected the American demand, declaring that the Cubans were helping to repulse South African aggression.[20]

The tactic of making use of nationalism to counteract the spread of socialist ideas in Africa has not brought the United States the desired success because it completely ignores the views of the African people. It is not surprising that the Franco-American plan to create "inter-African security forces," aimed at uniting the forces of conservative regimes against the countries with a socialist orientation and the liberation movements, was repudiated by the overwhelming majority of African leaders at an assembly of the heads of state and government of OAU countries in Khartoum in July 1978.

In connection with this, several new works by American experts on African affairs were published in the spring of 1979, in which the problem of counteracting the authority of forces for peace and socialism in Africa is no longer examined from the standpoint of reliance on nationalism, but from the standpoint of a search for a mutually acceptable combination of Western and African interests in all areas, with the exception of cooperation between the African states and the socialist community. According to Professor Lidgem, this kind of "combination of interests" will be needed for the attainment of common goals with the material support of the West, primarily in the form of economic aid and private investments.

It would be absurd, however, to consider any actual mutually acceptable combination of the interests of Western powers, multinational monopolies and African countries now, or even in the distant future, due to the completely obvious diversity of final goals of historical development and methods of their attainment. Apparently, by setting forth this postulate, American experts on African affairs are banking on the possible transformation of the social nature of some African regimes. For example, K. Lidgem feels that the idea of the "combination of interests" could be implemented through the establishment of cooperation by the more influential African leaders.[21] (Meaning the leaders and heads of pro-Western states.) It is obvious that the establishment of the cooperation proposed by American political scientists between representatives of different political currents outside the bounds of the principles, agreed on long ago, of African unity in the struggle against imperialism, neocolonialism and racism is to be accomplished by means of unilateral concessions on the part of the African states.

At one time, when the OAU was being formed, African leaders agreed that only these three goals (struggle against imperialism, neocolonialism and racism) could serve as a basis for their unity. The present revival of the idea of cooperation on an unequal basis, to the detriment of one partner, represents the latest attempt to destroy this unity and politically disintegrate the OAU.

The measures recommended by American experts on African affairs for more intense struggle against forces for peace and socialism in Africa (the search for a "mutually acceptable combination of African and Western interests") could not have been more opportune, as leading officials in the Carter Administration were seriously disturbed by the increasing cooperation between the African countries and the socialist states. The President's national security adviser, Z. Brzezinski, wrote that the underestimation of Soviet and Cuban policy in Africa could have dangerous consequences for the United States.[22]

At the end of 1978 and the beginning of 1979, Washington took a number of steps to implement these recommendations. The most important were the "dialogs" in Tripoli and Khartoum and the "Zimbabwe Days" in Atlanta (United States).

During the course of these "dialogs"--that is, meetings and conversations between Arab, African and American statesmen and public spokesmen--representatives of the U.S. Congress (Senators G. McGovern and R. Clark), members of the State Department staff (Assistant Secretary for African Affairs R. Moose and his deputies) and the administrators of 20 of the largest American monopolies persuaded some African leaders to reconsider their beliefs about the United States and U.S. policy in Africa and argued the urgency of founding African popular unity on cooperation by the more influential leaders of the continent. It cannot be said that the leaders of African countries with a socialist orientation categorically refused to negotiate with the United States and the leaders of pro-Western states for the purpose of finding a basis for the resolution of problems touching upon intergovernmental interests. The "dialogs" were used by these countries for precisely this purpose. The American delegates' attempt to exert pressure was frustrated, for example, by such countries as Tanzania and Guinea. American ruling circles were unable to work out, during the course of these "dialogs," a mutually acceptable basis for cooperation with the African countries, although some leaders (for example, the Kenyan delegate) expressed an interest in the economic aspect of cooperation.

Another measure--the "Zimbabwe Days"--was carried out in Atlanta in May 1979. Its purpose was more limited, consisting in winning the national liberation movements in southern Africa over to the U.S. side. One of the leaders of the Patriotic Front of Zimbabwe, J. Nkomo, was given an opportunity to express his views to a large audience, and various festivities were held in his honor. Despite all of the efforts of American representatives, however, Nkomo refused to compromise in any way on the question of transfering power to the true representatives of the African majority. He said: "We are in prison, and the main thing we must do is to gain our liberty with rifles in hand."[23]

Therefore, the measures proposed by American experts on African affairs were unsuccessful, and primarily because they did not take the desires and interests of the African countries into account. The search for means and methods of increasing U.S. influence on events in Africa, however, is still going on. Lidgem has openly appealed for a search for new forms of struggle against the authority of the USSR in Africa.[24]

The Problem of Establishing American 'Support Centers' in Africa

For a long time, American experts on Africa believed that only the OAU could find the best solution to African problems,[25] while individual members of this organization would not be able to regulate conflicts on the continent on their own, since they had neither the military nor the economic strength to do this and lacked freedom of action, as they were dependent to one degree or another on their former mother countries.

The processes of social differentiation in the African countries, which developed in the second half of the 1970's and were reflected, on the one hand, in the formation of a particular group of countries within the OAU that favored closer cooperation than before with the Western world and, on the other, in the reinforcement of the position of states favoring the noncapitalist course of development, aroused skepticism in a number of American experts on African affairs in regard to the future of the OAU and the ability of the African countries to maintain their unity in basic areas of concern. For example, M. Samuels, executive director of the Center for Strategic and International Studies, declared that the "OAU has clearly not proved effective in the resolution of African problems by Africans."[26]

According to American scholars, this situation can be corrected by cultivating great-power feelings among ruling circles in the really large and politically influential countries of this continent. For a long time, experts disagreed on the particular African country which could aspire to this status. In the last 2 years, the majority have agreed that Nigeria is now the leader among the states of Tropical Africa. They are now discussing ways of utilizing Nigeria's potential as the "leader of the continent" in the U.S. interest. In the spring of 1977, AFRICA REPORT correspondent S. Fiustel advised the Carter Administration to make use of this leadership's desire for self-assertion as a means of settling conflicts in Africa in the interests of the West.[27] In his opinion, Nigeria could play the role of middleman.

But the idea of using Nigeria only in a mediating role in Africa was not propagandized for long in American literature. The Nigerian leaders' obvious desire to improve relations with the United States, which was expressed in October 1977, when O. Obasanjo, head of the military administration, visited Washington, transferred the emphasis in this discussion to the recommendation that the nationalist feelings of Nigerian ruling circles be encouraged. For example, U.S. NEWS AND WORLD REPORT correspondent C. Kreisler wrote in December 1977 that the Nigerian leadership was regarded as the most preferable in Africa from the standpoint of the U.S. interest. He recommended the more active involvement of Nigerian leaders in the resolution of African and even international problems--for example, the problems in southern Africa.[28]

After President Carter's visit to Nigeria in April 1978, the results of which were largely negative for the United States,[29] the discussion took a new turn. There was once again a tendency to consider the role of Nigeria in Africa primarily from the standpoint of the future realization of this country's potential capabilities, but with the stipulation that economic and political methods could already be effective in persuading the Nigerian leaders to sympathize more with U.S.-proposed solutions to African problems. Speaking in Atlantic City in June 1978, Secretary of State C. Vance was obviously alluding to the nationalism of the Nigerian leaders when he said that only support for the American concept of the national distinctions of Africans by any particular African country could stimulate the United States' desire to develop trade with this country, expand investments and back it up in the international arena.[30] In 1978, Washington increased economic "assistance" and purchases of Nigerian oil.

The administration vigorously attempted to smooth out conflicts and find spheres for cooperation, primarily in regard to African problems. The use of the national distinctions of Africans was reflected in the involvement of Nigeria in the Rhodesian settlement process: It was believed that the Nigerian leaders could "substitute" for the socialist countries in supporting the actions of the Patriotic Front of Zimbabwe. In August 1978 the U.S. Administration requested the Nigerian leaders to talk the leaders of the patriotic front into striking a comprehensive bargain with Smith. Complying with this request, Obasanjo invited Nkomo and Mugabe to Lagos. When the leaders of the patriotic front elucidated their position to the Nigerian Government during the course of these talks, however, the Nigerians themselves said that the Anglo-American plan for regulation was "dead."[31]

The failure of American attempts to establish political cooperation with the Nigerian leaders aroused indignation among experts on African affairs and insistent recommendations that the Carter Administration revise its attitude toward Nigeria. Obviously distorting the facts, R. Howe tried to prove the "decline of Nigerian influence" in African affairs and concluded that it was therefore unnecessary to find a basis for cooperation with Nigeria.[32]

This excessively emotional description of the situation did not reflect the real state of affairs and aroused counterarguments in favor of continuing the search for rapprochement with Nigeria. Whitaker, for example, voiced the opinion that Nigeria, as an emerging regional great power, was capable of making an important contribution in the entire complex of inter-African relations, and Lidgem called Nigeria one of the countries maintaining a "balance" between supporters and opponents of the socialist presence in Africa.[33]

Nigeria's political role in the international arena and its economic importance to the United States (oil shipments) are forcing Washington to reject R. Howe's recommendations and agree with the conclusions of J. Whitaker and K. Lidgem.

The circle of problems now being investigated by American experts on Africa attests to their considerable interest in these problems and simultaneously illustrates the basic tendencies and trends in the political thinking of ruling circles in regard to African policy. American experts on African affairs are investigating and trying to solve problems of, as attested to by the preceding discussion, a long-term nature.

The very way in which the basic problems in U.S. African policy are stated and the nature of their investigation, which has been established for a long time, prove that bourgeois science is indissolubly connected with the interests of the ruling class. When the changes taking place in Africa, socioeconomic and political processes, affect the future retention of the African countries in the capitalist system or lead to the strengthening of their foreign policy independence, new interpretations are given to these phenomena in new works by experts on African affairs, who are striving to assess these phenomena in the interests of the dominant class, describe their developmental tendencies and recommend possible lines of practical policy in Africa.

FOOTNOTES

1. "Africa and United States Vital Interests," Ed. by J. Whitaker, N.Y., 1978, p 39.

2. Ibid., p 1.

3. Ibid., p 117.

4. See, for example, W. Skurnik, "The United States Role in Africa," CURRENT HISTORY, March 1971.

5. "Policy Toward Africa for the 70's," Hearings before the Subcommittee on Africa of the Committee on Foreign Affairs, U.S. House of Representatives, Wash., 1970, p 20.

6. E. Chester, "Clash of Titans," N.Y., 1974; R. Howe, "Along the Africa Shore," London, 1975.

7. "Africa: From Mystery to Maze," Ed. by Helen Kitchen, Lexington, 1976; "Africa and United States Vital Interests."

8. ORBIS, Spring 1978, pp 227-245.

9. THE WASHINGTON REVIEW OF STRATEGIC AND INTERNATIONAL STUDIES, May 1978.

10. BUSINESS WEEK, 12 September 1977, p 116.

11. ATLANTIC, October 1977, p 47.

12. U.S. NEWS AND WORLD REPORT, 23 October 1978, pp 42-43.

13. AFRICA TODAY, April-June 1978, p 21.

14. "Africa and United States Vital Interests," p 117.

15. Ibid., pp 209-210.

16. FOREIGN AFFAIRS, No 3, 1979, p 639.

17. FORTUNE, 14 August 1978, p 135.

18. THE CHRISTIAN SCIENCE MONITOR, 16 June 1978.

19. THE DEPARTMENT OF STATE BULLETIN, April 1979, p 11.

20. TIME, 25 December 1978, p 26.

21. FOREIGN AFFAIRS, No 3, 1979, p 651.

22. THE NEW YORK TIMES MAGAZINE, 31 December 1978, p 10.

23. NEWSWEEK, 4 June 1979, p 56.

24. FOREIGN AFFAIRS, No 3, 1979, p 650.

25. VITAL SPEECHES OF THE DAY, 15 September 1977, p 732.

26. Ibid.

27. AFRICA REPORT, May-June 1977, p 49.

28. U.S. NEWS AND WORLD REPORT, 5 December 1977, p 67.

29. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1978, pp 69-72--Editor's note.

30. THE DEPARTMENT OF STATE BULLETIN, August 1978, pp 10-13.

31. THE INTERNATIONAL HERALD TRIBUNE, 5 December 1978.

32. CURRENT HISTORY, March 1979, p 130.

33. "Africa and United States Vital Interests," p 3; FOREIGN AFFAIRS, No 3, 1979, p 639.

8588
CSO: 1803

SELECTIVE LIST OF JPRS SERIAL REPORTS

USSR SERIAL REPORTS (GENERAL)

USSR REPORT: Agriculture
USSR REPORT: Economic Affairs
USSR REPORT: Construction and Equipment
USSR REPORT: Military Affairs
USSR REPORT: Political and Sociological Affairs
USSR REPORT: Energy
USSR REPORT: International Economic Relations
USSR REPORT: Consumer Goods and Domestic Trade
USSR REPORT: Human Resources
USSR REPORT: Transportation
USSR REPORT: Translations from KOMMUNIST*
USSR REPORT: PROBLEMS OF THE FAR EAST*
USSR REPORT: SOCIOLOGICAL STUDIES*
USSR REPORT: USA: ECONOMICS, POLITICS, IDEOLOGY*

USSR SERIAL REPORTS (SCIENTIFIC AND TECHNICAL)

USSR REPORT: Life Sciences: Biomedical and Behavioral Sciences
USSR REPORT: Life Sciences: Effects of Nonionizing Electromagnetic Radiation
USSR REPORT: Life Sciences: Agrotechnology and Food Resources
USSR REPORT: Chemistry
USSR REPORT: Cybernetics, Computers and Automation Technology
USSR REPORT: Electronics and Electrical Engineering
USSR REPORT: Engineering and Equipment
USSR REPORT: Earth Sciences
USSR REPORT: Space
USSR REPORT: Materials Science and Metallurgy
USSR REPORT: Physics and Mathematics
USSR REPORT: SPACE BIOLOGY AND AEROSPACE MEDICINE*

WORLDWIDE SERIAL REPORTS

WORLDWIDE REPORT: Environmental Quality
WORLDWIDE REPORT: Epidemiology
WORLDWIDE REPORT: Law of the Sea
WORLDWIDE REPORT: Nuclear Development and Proliferation
WORLDWIDE REPORT: Telecommunications Policy, Research and Development

*Cover-to-cover

JPRS 75485

14 April 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 2, February 1980

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

JPRS 75485

14 April 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 2, February 1980

Translation of the Russian-language monthly research journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

PAGE

L. I. Brezhnev's Interview for PRAVDA. 1

U.S. Military and Political Strategy at the Turn of the Decade (Yu. V. Katasonov). 8

The Labor Unions and Meany's Departure (G. D. Gevorgyan) 25

Industrial Construction and the Investment Process (Ya. A. Rekitar, V. B. Kondrat'yev) 41

The Tangle of American-Iranian Problems (I. P. Belyayev). 58

Early Start to the Election Campaign (V. A. Saval'yev) 72

Washington and the Ninth OAS Session (Ye. V. Mityayeva). 79

Dollar Instability and Its Causes (M. A. Portnoy) 84

The Powers That Be* (David Halberstam). 98

New Generation of Robots* (A. S. Konson, V. I. Belodedov) 99

---

*Not translated by JPRS.

CONTENTS (Continued) Page

Problems of Land Use in the U.S.*
(S. P. Gorshkov, Yu. G. Yermakov). 100

Book Reviews

Soviet-American Relations, by Yu. P. Babich. 101
Media and Business, by N. A. Sakharov. 104
Strategic Planning and Policy, by G. B. Kochetkov. 108
American Scientific Institutions, by A. Ya. Bulovinova . . . 111
NATO Military Threat, by V. A. Mazing. 112

The United States Geological Survey*
(B. P. Sitnikov) 113

---

*Not translated by JPRS.

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY
No 2, February 1979

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo Nauka

Place of Publication : Moscow

Date of Publication : February 1980

Signed to press : 11 January 1980

Copies : 38,000

COPYRIGHT : Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1980

L. I. BREZHNEV'S INTERVIEW FOR 'PRAVDA'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80 pp 3-8

/Interview with L. I. Brezhnev by a PRAVDA correspondent, first published in PRAVDA, 13 January 1980/

/Text/ Question: Leonid Il'ich, how do you evaluate the present international situation, especially in light of the American administration's latest steps?

Answer: The consistent and creative pursuance by our party of the course of peace, detente and disarmament, of implementing the Peace Program set forth by the 24th and 25th CPSU congresses, has made it possible to achieve much. Broadly speaking, the main accomplishment is that we have succeeded in breaking the tragic cycle: world war--a brief spell of peace--world war again. We, the Soviet people, and our friends--the peoples of the fraternal socialist countries, all those who have struggled and continue to struggle for peace, for detente, for the peaceful coexistence of states with different social systems--have a right to be proud of this historic result.

But the situation, unfortunately, has noticeably deteriorated at the junction of the 1970's and the 1980's. The peoples must know the truth about who is responsible for this. I will answer without any reservations--the imperialist forces, and primarily certain circles in the United States, are to blame for this. The blame is on all those who see in detente an obstacle to their aggressive plans, to whipping up a militaristic psychosis, to interference in the internal affairs of other peoples. The blame is on those who have a deeply ingrained habit of behaving impudently toward other states, of acting on the international arena as though they can do everything.

It has been clear for some time already that the leading circles of the United States and of some other NATO countries have embarked on a course hostile to the cause of detente, a course of stepping up the arms race, which is leading to an increase of the war danger. The beginning of this was laid back in 1978, at the May session of the NATO Council in

Washington, where the automatic increase of the military budgets of NATO member countries until the end of the 20th century was approved. Lately, militaristic tendencies in U.S. foreign policy have found expression in the acceleration of new long-term arms programs, in the establishment of new military bases far beyond the United States, including the Middle East and the Indian Ocean area, and in the forming of the so-called "quick reaction corps," that instrument of the policy of military interference.

Now take such an important document as the SALT II Treaty. Its implementation would have opened the way to major steps in disarmament. As is known, this treaty received support throughout the world, including among the NATO allies of the United States, and in broad circles of the international public. What did the Carter Administration do with it? Hardly was the treaty signed, when people in the United States began discrediting it, while opponents of the treaty--not without the connivance of government circles in the United States--actually began using the ratification process to complicate its ratification. By his recent decision to freeze indefinitely the debate on the SALT II Treaty in the Senate President Carter added one more touch to this unseemly process.

It was the United States that in December 1979 forced on its NATO allies the decision to deploy in a number of West European countries new medium-range nuclear missile systems, which is leading to a new spiral of the arms race. At the same time Washington literally muzzled those of its allies, who were inclined to respond positively to the Soviet Union's constructive proposals to hold talks on this matter.

Today the opponents of peace and detente are trying to speculate on the events in Afghanistan. Mountains of lies are being built around these events and a shameless anti-Soviet campaign is being mounted. What really happened in Afghanistan?

A revolution took place there in April 1978. The Afghan people took their destiny into their own hands and embarked on the road of independence and freedom. As it has always been in history, the forces of the past ganged up against the revolution. The people of Afghanistan, of course, could have coped with them by themselves. But from the very first days of the revolution the encountered external aggression, gross interference from outside in their internal affairs.

Thousands and tens of thousands of insurgents, armed and trained abroad, whole armed formations were sent into Afghan territory. In effect, imperialism together with its accomplices launched an undeclared war against revolutionary Afghanistan.

Afghanistan persistently demanded an end to this aggression, that it be allowed to build its new life in peace. Resisting the external aggression, the Afghan leadership, already under President Taraki and then later, had repeatedly asked the Soviet Union for assistance. On our part we warned those concerned that if the aggression was not stopped we would not leave the Afghan people in the lurch. As is known, we stand by what we say.

The actions of the aggressors against Afghanistan were assisted by Amin who, on seizing power, launched cruel repressions against broad strata of the Afghan society, against party and military cadres, against representatives of the intelligentsia and the Muslim clergy, that is, against exactly those strata on which the April revolution relied. The people under the leadership of the People's Democratic Party headed by Babrak Karmal rose against this Amin tyranny and put an end to it. Now in Washington and some other capitals they are mourning over Amin. This exposes their hypocrisy with particular clarity. Where were these mourners when Amin was conducting his mass repressions, when he forcibly removed and unlawfully physically exterminated Taraki, the founder of the new Afghan state?

The unceasing armed intervention and the well-advanced plot by external forces of reaction created the real threat that Afghanistan would lose its independence and be turned into an imperialist military bridgehead on our southern border. In other words, the time came when we no longer could fail to respond to the request of the government of friendly Afghanistan. To have acted otherwise would have meant leaving Afghanistan prey to imperialism, allowing the aggressive forces to repeat in that country what they had succeeded in doing, for instance, in Chile, where the people's freedom was drowned in blood. To act otherwise would have meant to watch passively as the center of a serious threat to the security of the Soviet state emerged on our southern border.

In appealing to us, Afghanistan proceeded from clear-cut provisions of the treaty of friendship, good neighborliness and cooperation, which was concluded by Afghanistan with the USSR in December 1978, on the right of each state, in accordance with the UN Charter, to individual or collective self-defense--a right that other states have exercised more than once.

It was no simple decision for us to send Soviet military contingents to Afghanistan. But the party Central Committee and the Soviet Government acted in full awareness of their responsibility and took into account all the circumstances. The only task set for the Soviet contingents is to assist the Afghans in repulsing the aggression from outside. They will be fully withdrawn from Afghanistan once the causes, which led the Afghan leadership to request that they be brought in, disappear.

Imperialist, as well as Beijing propaganda is deliberately and unscrupulously distoring the Soviet Union's role in the Afghan affairs.

It goes without saying that there has been no Soviet "intervention" or "aggression" at all. There is another thing: We are helping the new Afghanistan at its government's request to defend the national independence, freedom and honor of its country from armed aggressive actions from outside.

The national interests or security of the United States and other states are not affected in any way by Afghanistan. All attempts to portray matters otherwise are sheer nonsense. These attempts are being made with ill intentions, with the aim of more easily fulfilling their own imperialist plans.

The allegations that the Soviet Union has some expansionist plans with respect to Pakistan, Iran or other countries of that area, are also absolutely false. The policy and psychology of colonialists are alien to us. We are not after the lands of others, we do not long for the wealth of others. It is the colonialists who are attracted by the smell of oil.

Outright hypocritical are the attempts to talk at length about the "Soviet threat to peace" and to pose as guardians of international morals on the party of those whose record includes the "dirty war" against Vietnam, those who did not lift a finger when the Chinese aggressors made their armed intrusion into Socialist Vietnam, those who for decades have kept a military base on Cuban soil contrary to the will of its people and government, those who are engaged in sabre rattling, those who threaten to impose a blockade and are exerting open military pressure on the revolutionary Iranian people by sending to the shores of Iran a naval armada armed with nuclear weapons, including a considerable part of the U.S. carrier force.

A last point must be made in this connection. Interference in the internal affairs of Afghanistan is really taking place, and even such an august and respected institution as the United Nations is being used for this. Indeed, was the discussion of the so-called "Afghan question" at the United Nations, contrary to objections by the Government of Afghanistan, anything but a rude flouting of the sovereign rights of the Afghan state?

The Afghan Government and its responsible representative to the United Nations state for all to hear: Leave us alone, the Soviet military contingents were brought in at our request and in accordance with the Soviet-Afghan treaty and Article 51 of the United Nations Charter.

Meanwhile under the cover of the clamor assistance is being increased to those elements that are intruding into Afghanistan and perpetrating aggressive actions against the legitimate government. The White House recently openly announced its decision to expand the supply to these elements of military equipment and everything necessary for hostile activities. The Western press reports that during his talks in Beijing the U.S. Secretary of Defense colluded with the Chinese leadership on the coordination of such actions.

Concluding the Afghan theme, it must be said that there is nothing surprising in the hostile reaction of imperialist forces to the events in Afghanistan. The crux of the matter is that the card on which the imperialists and their accomplices had counted was trumped.

In short, the events in Afghanistan are not the true cause of the present complication of the international situation. If there were no Afghanistan, certain circles in the United States and in NATO would surely have found another pretext to aggravate the world situation.

Finally, the sum total of the American administration's steps in connection with the events in Afghanistan--the freezing of the SALT II Treaty, refusal to deliver to the USSR a number of commodities, including grain, in accordance with some already concluded contracts, the termination of talks with the Soviet Union on a number of questions of bilateral relations, and so on--shows that Washington again, like decades ago, is trying to speak with us in the language of the Cold War. In this the Carter Administration is displaying contempt for important interstate documents, is disrupting established ties in the field of science, culture and human contacts.

It is difficult even to enumerate the number of treaties, intergovernmental agreements, accords and understandings, which have been reached between our two countries on questions of mutual relations in various fields, that have recently been arbitrarily and unilaterally violated by the government of President Carter. Of course, we will manage without this or that tie with the United States--and in general we never asked for these ties, considering this matter to be mutually advantageous and in line with the mutual interests of the peoples of our countries, and first of all in the context of strengthening peace.

But the arrogation by Washington of some sort of a "right" to "reward" or "punish" independent sovereign states raises a fundamental question. In effect, by such actions the U.S. Government deals a blow in general to the orderly international law system of relations among states.

As a result of the Carter Administration's actions the world is increasingly forming the impression of the United States as an absolutely unreliable partner in interstate ties, as a state whose leadership, prompted by some whim, caprice or emotional outbursts, or by considerations of narrowly understood immediate advantage, is capable at any moment of violating its international obligations and canceling the treaties and agreements signed by it. There is hardly any need to explain what a dangerous destabilizing impact this has on the entire international situation, particularly when the leadership of a major, influential power, from which the peoples have the right to expect a well-considered and responsible policy, behaves in this way.

Of course, these actions of the U.S. administration will by no means inflict on us the damage obviously hoped for by their initiators. The cynical estimates concerning the "worsening" of the food situation in the Soviet Union as a result of the U.S. refusal to sell us grain are based on nonsensical notions about our economic potential. The Soviet people have sufficient opportunities to live and work in peace, to fulfill their plans and to increase their well-being. In particular, I can assure that the plans of providing the Soviet people with bread and bakery products will not be reduced by a single kilogram.

We cannot regard the actions of the American administration as anything but a poorly weighed attempt to use the events in Afghanistan to block international efforts to lessen the military danger, to strengthen peace, to limit the arms races--in other words, to block what mankind is vitally interested in.

The unilateral measures taken by the United States are tantamount to serious miscalculations in politics. Like a boomerang, they will hit back at their initiators, if not today then tomorrow.

Now if all these sallies against our policy are intended to check our mettle, this means that the experience of history is being totally ignored. When the world's first socialist state was born in 1917, our people did not ask anybody's permission. And now, too, they are deciding themselves what their way of life is to be. Imperialism tried to put us to the test at the dawn of the Soviet Government and everybody remembers what came of this. The fascist aggressors tried to break us in the bloodiest war ever experienced by mankind. But they suffered a defeat. We were subjected to the trials in the years of the Cold War when the world was being pushed to the brink, when one international crisis after another was engineered. But then, too, nobody succeeded in making us waver. It is very useful to remember this today.

Question: What, in your opinion, are the prospects of the development of the situation in Europe?

Answer: The situation in Europe today is much better than it was, say, in the early 1970's. But, of course, Washington's latest irresponsible actions are making themselves felt here as well. The United States is not content with doing just about everything to poison Soviet-American relations. It would also like to spoil the relations of West European countries with the Soviet Union, relations in which, as in known, many useful things were achieved during the past decade. The United States is trying to undermine the spirit and essence of the Helsinki Final Act which has become a recognized milestone in strengthening security and developing peaceful cooperation on the continent. Finally, by its steps, which are aimed at aggravating the international situation, Washington pursues the goal of subduing the European states, first of all its own allies.

But the cardinal interests of the European peoples are inseparably connected with detente. The Europeans have already come to know its beneficial fruits from their own experience. They are inhabitants of a continent that has been singed more than once by devastating wars and they are by no means prepared--and we are convinced of this--to embark on the road of ventures at the bidding of politicians from across the ocean. It is impossible to believe that there are states in Europe that would wish to throw the fruits of detente under the feet of those who are ready to trample them. Western states, and the United States as well, need detente in Europe by no means to a lesser extent than the socialist countries, than the Soviet Union.

Much of a constructive nature can be accomplished in Europe for the good of peace in the near future, in particular, in connection with the forthcoming meeting in Madrid and the proposal by the Warsaw Pact countries to hold a conference on military detente and disarmament. We are resolutely for consolidating and multiplying everything positive that has been created over the years on the European continent through the collective efforts of states, large and small. We will henceforth pursue a policy of peace and friendship between peoples. In contrast to Washington's present extremist position our position is to continue the talks begun in recent years in many directions with the aim of stopping the arms race. This naturally also applies to problems of lessening military confrontation in Europe.

I repeat: We are for talks, but for honest and equal talks, with observance of the principle of equal security. It is exactly such talks that we recently proposed to begin on the question of medium-range nuclear weapons. Nobody can expect the Soviet Union to accept NATO's terms, which are designed for conducting the talks from a position of strength. The present position of NATO countries makes talks on this problem impossible. We formally told the U.S. Government about all this a number of days ago.

We look into the future with optimism. It is well-founded optimism. We understand that the deliberate aggravation of the international situation, which was evoked by American imperialism, is an expression of its displeasure at the consolidation of the positions of socialism, the upsurge of the national liberation movement, the strengthening of the forces supporting detente and peace. We know that the will of the peoples has cleared through all the obstacles a road for the positive direction in world affairs that is well expressed by the word "detente." This policy has deep roots. It is supported by mighty forces and this policy has every chance to remain the leading trend in the relations between states.

Our people and our country are firmly advancing along the road of the building of communism, fulfilling the assignments of the 10th Five-Year Plan and the plans of the party. The Soviet people and our friends abroad can rest assured that the Leninist foreign policy course is unshakeable. It was defined by the decisions of CPSU congresses and is embodied in all our foreign policy activities. This course combines consistent peaceableness with the firm rebuff of aggression. It has proven its worth in past decades and we will adhere to it henceforth. No one will turn us from this course.

7807
CSO: 1803

U.S. MILITARY AND POLITICAL STRATEGY AT THE TURN OF THE DECADE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 9-21

/Article by Yu. V. Katasonov/

/Text/ It is well known that the entire process of the SALT II negotiations and the period which has passed since the signing of the corresponding treaty have been characterized by an atmosphere of the inflation by highly influential U.S. and NATO circles of the myth of a "growing Soviet military threat" and the demand "not to permit a lag" of U.S. military strength behind USSR military strength. Otherwise, these circles warned, the ratification of the treaty, which was drafted, as is known, with allowance made for the interests and need to ensure the security of the sides, will be wrecked. Having obviously yielded to this pressure, immediately after returning from the summit talks in Vienna U.S. President J. Carter announced his decision to develop the MX intercontinental ballistic missile system and to speed up the implementation of a number of other arms projects.

At the same time the pushing of the "rapid deployment force," which is designed for intervention abroad, first of all in the Near East, was stepped up. The fuss over the "Soviet military presence" in Cuba was intensified. Washington used this fuss as an occasion for conducting military demonstrations in the spirit of "gunboat diplomacy" throughout the Caribbean region.

Washington's militaristic activity increased especially during the final months of 1979, and in early 1980 the world witnessed unprecedented U.S. "power" pressure on Iran. To counterbalance the far-reaching peace initiatives of the USSR, which were aimed at preventing new spirals of the nuclear arms race and strengthening international security, and its practical steps in the area of military detente in Europe, the leading NATO bodies accepted the decision, which was imposed by Washington, to produce and deploy on the territory of the FRG, England and Italy new medium-range nuclear missile weapons, which are aimed at the USSR. The U.S. President advanced a program of unprecedented scale on building up all types of arms for many years ahead. He submitted to Congress a record defense budget for fiscal 1981 in the amount of more than $157 billion, which exceeds the previous budget by more than 5 percent in real terms. On 4 January 1980 J. Carter appeared on American television with a speech which in many ways was permeated with the phraseology and spirit of the Cold War.

"The specific content of this speech," it is said in a TASS statement published in the Soviet press on 7 January, "and the announced steps of the U.S. Administration in the area of Soviet-American relations cannot be regarded as anything but inimical to the interests of peace. One's attention is attracted by the fact that the events which recently took place in the Democratic Republic of Afghanistan were chosen as all but the main occasion for this statement of the head of the U.S. Administration." In so doing, as was evident from the speech of the American President, the U.S. Administration is attempting to grossly interfere in the domestic affairs of Afghanistan and to deny the Afghan people the right to determine the course of their domestic development and how to structure their relations with other states.

The events in Afghanistan were also used by the President as a pretext for postponing the debate in the U.S. Senate on the ratification of the SALT II Treaty, which aroused especially great joy among the opponents of detente.

All these actions of Washington are evidence of the profound contradictoriness of the foreign policy course and the military and political strategy of the United States and of the serious discrepancies between Washington's declarations in support of detente and arms control and its practice of increasing international tension and stepping up the arms race and of constantly threatening to return to the direct use of U.S. armed forces in various regions of the world.

I

The military and political strategy of the United States--in American terminology, the strategy of "national security," or the "grand" strategy--is the officially formulated and more or less publicly declared course of Washington both in the most important directions of foreign policy, with allowance made for the possibilities of relying on the use of or the threat of using military force, and in the area of military policy as such, including the forming of armed forces, the preparation of the conditions for their use and, finally, their direct use. Although "force" (or "might") in the "grand" strategy is understood as not only military, both also other means of influencing the "opponent," even today Washington assigns one of the dominant roles to military force.[1]

The affirmation in the United States of such a symbiosis of foreign and strictly military policy on the basis of a militaristic approach to its formulation and implementation is one of the outcomes of the Cold War.

Throughout the postwar period the "grand" strategy of the United States has been characterized by a clearly pronounced continuity in the main things--the objectives, the basic means and the general principles of their utilization. At the same time, under the influence of changes in the international and domestic situation, the development of military technology and the means of utilizing military power and especially the change in the balance of forces between the United States and its "main opponent"--the Soviet Union--this strategy has been periodically reassessed, changes have been and are being made in it with allowance made for the real capabilities of the United States. The most convenient conditions for this arise when the representative of the other, rival party enters the White House. The versions of U.S. military and political strategy, which became known as the strategies of "massive retaliation," "flexible response" and "realistic containment,"[2] appeared precisely at these boundaries during the 1960's and 1970's.

After taking office the Carter Administration also made some revision and adjustment of the military and political strategy. The results were set forth in detail in the National Security Council document "Presidential Memorandum No 10." The officially altered strategy was put into effect by Presidential Directive No 18 in August 1977.[3]

The special speech of President J. Carter at Wake Forest University in April 1978, as well as numerous statements and clarifications of the Secretary of Defense, the President's National Security Adviser, the Secretary of State and other officials were devoted to setting forth its main provisions.

The approach of the Carter Administration to the question of strategy review was a certain break from established tradition. Thus, the "new strategy" was not given any striking, publicity-oriented name. The administration avoided juxtaposing it to the strategy of its predecessors (which was so typical of the past). This approach is due first of all to the aspiration to allay the chronic domestic political and differences among allies on problems of military policy and strategy and to emphasize the "bipartisan nature" of the present U.S. "grand" strategy. At the same time such an approach was called upon to emphasize the continuity of Washington's military policy course, the main concepts and aims, which were adopted or confirmed during the first half of the 1970's--a period which, as is known, was characterized by important shifts in U.S. foreign policy in the direction of recognizing the vital need for the United States to embark upon a course of cooperation with the Soviet Union in the area of lessening international tension and averting a global nuclear catastrophe. Nevertheless, the "new strategy" retains much of what as far back as 30 years ago reflected U.S. pretensions to global expansion and the right to interfere in the affairs of other states, including with the use of military force. "Our long-range concerns," President J. Carter stressed, "include the security interests of our country and its allies outside the Western Hemisphere and Europe. We have important historical commitments... in East Asia, the Near East and the Persian Gulf region."[4]

Then Chairman of the U.S. Joint Chiefs of Staff G. Brown was even more outspoken in February 1978: "Wherever instability, an increase of tension and direct conflict affect the interests of the United States, their defense may require the presence and possible use of American armed forces.... If, for example, a threat should arise to the security (from the point of view of American interests--Yu. K.) of the oil resources of the Persian Gulf,... the need might arise to use considerable ground, air and naval forces."[5]

The Carter Administration is so openly emphasizing the expansionism of its military policy course that this is arousing among American observers, and not only them, associations with Cold War times. The President himself, incidentally, has repeatedly admitted that he regards the policy in the area of "national security," which was pursued by Presidents H. Truman and J. Kennedy, to be the ideal for himself.

One cannot fail, however, to see that the present administration in fact recognizes the limitation of its possibilities in achieving the military and political objectives it proclaims. The framework of these limitations is determined by the fact that the process of changes, the nature of which and the need for whose consideration Washington began to admit officially a decade ago, is continuing to develop rapidly in the world. The most important factor here is the existence of strategic parity between the USSR and the United States, the fact that the Soviet Union, in J. Carter's words, "has achieved functional parity in strategic forces with the United States." Today Washington is realizing more and more clearly the need to take this factor into account, as well as is proceeding from the recognition of the existence of parity in other key areas of military rivalry as well. Hence there also basically ensues Washington's willingness to agree to certain forms of cooperation with the Soviet Union and other countries in the area of limiting the most dangerous types of weapons. At the same time Washington, contrary to the officially declared willingness not to seek military superiority over the USSR, has once again, as is quite obvious, taken the course of reestablishing its lost military advantages, of developing new, more "effective" types of arms and of elaborating strategic concepts which provide for their actual (military) and political use under the conditions of the present situation.

At the same time another reality, which objectively reduces for the United States the relative importance of military political objectives and limits the opportunities to achieve them, has not been removed from the agenda, but, on the contrary, is becoming more and more evident. It consists in the fact that the real problems of U.S. security today are not so much of a military nature as they are of an economic, social and political nature. This is also admitted by executives of the Department of Defense. For example, Secretary of Defense H. Brown states that "the greatest direct threat to our fundamental interests stems from economic and currency forces."[6] Such a professional soldier as current Chairman of the Joint Chiefs of Staff General D. Jones also understands this perfectly well. He notes: the United States "is faced with a large number of challenges in the political, diplomatic, economic and social fields, each of which has consequences for national security in the broadest sense of this concept. Even if there was no global rivalry with the Soviet Union, to maintain our way of life we would nevertheless have to solve a bunch of problems."[7] However, admissions like this are used in the United States not so much for substantiation of a change in the priorities of the "grand" strategy as for attempts to substantiate the principle of using military force to solve problems which are economic and sociopolitical in their essence. An example of this is the official proclamation by the current administration as "entirely possible" of the approach to the solution of U.S. energy problems and to the assurance for it of "stable access" to the oil resources of the Near East by means of military force, particularly by the seizure of the oil fields by the forces of the "rapid deployment corps."

The nuances in the current administration's interpretation of individual U.S. military and political objectives reduce primarily to a shifting of the accents when characterizing the military and political significance of different countries and regions. As was the case 30 years ago, Washington considers the Soviet Union to be the main military-political opponent of the United States (now, it is true, the term "opponent" is used more frequently than "enemy"). Here, taking into account the fact that Beijing has shifted to cooperation with imperialism, it is emphasized that now the Soviet Union is not just the main, but also the only major military-political opponent, the real force which is capable and willing to resist the global expansionist pretensions of the United States, or, as one Pentagon report puts it, the only force "which is capable of seriously challenging the present world order."[8] The other opponents--other socialist countries, the developing states with an anti-imperialist orientation and the national liberation movements--are rated militarily and politically in Washington first of all from the point of view of the scale and nature of their cooperation with the Soviet Union and possible Soviet assistance to them in case of aggression on the part of the United States and its allies.

In keeping with the "new strategy," the present administration emphasizes the special military-political importance for the United States of three "vitally important strategic zones" (in Z. Brzezinski's terminology)--Europe, the Near East and the Far East. It is precisely in these "three zones," in Washington's opinion, that the expansionist aspirations of the United States might encounter an especially strong rebuff on the part of the Soviet Union and other socialist countries, and in the Near East also on the part of another strong, potential opponent, but one of a different nature: the "united economic might" (as H. Brown put it) of the OPEC countries.

As for U.S. strategy in the Far East, the new element in it involves, first of all, rapprochement between Washington and Beijing and the aspiration to use the "China card" in its military-political maneuvers. At the same time this feature is not only of regional importance--the "novelty" of the latest U.S. "grand" strategy comes through in it especially clearly. The Carter Administration made clear for the first time something that the Nixon and Ford administrations had only hinted at, namely that the United States no longer considers the PRC its likely opponent. Secretary of Defense H. Brown, for example, stated plainly that the United States "is no longer planning the forming of its armed forces on the basis of the premise that an American-Chinese conflict is likely."[9] On the contrary, in official American assessments China now figures as nothing other than a "strategic counterbalance to the Soviet Union," "a potential second front" for it and even as some sort of "16th NATO member."[10] Washington also proclaimed as a new condition of U.S. national security the guarantee of the "political and territorial integrity" of China, laying claim in fact to the role of the military-political guarantor of the Beijing regime.[11]

Speculations concerning American-Chinese cooperation in a nuclear war are cause for alarm. It was none other than the same H. Brown who stated, for example, that there was a possibility of a nuclear conflict breaking out in the Far East with the involvement of more than two nuclear powers. Here he made a quite transparent hint as to whose side the United States might be on in this case.[12] Well-informed NEW YORK TIMES commentator R. Burt (who, incidentally, was the first to acquaint the American reader with the contents of Presidential Memorandum No 10) reported that as a result of the review of plans of nuclear warfare, which was undertaken by the present administration on the initiative of the President's National Security Adviser Z. Brzezinski, the positions of Soviet armed forces in the Far East have been included among the targets for nuclear strikes. The meaning of this action, according to Burt, is to make it easier for Beijing, with the aid of American nuclear strikes, to conduct offensive operations against the Soviet Union.[13]

No denials of this report, as they say, followed. Even if such statements are regarded merely as a provocation, in this case they might have extremely dangerous consequences, encouraging the Beijing leaders to undertake various kinds of adventures. But as Beijing's aggression against socialist Vietnam showed, it is capable of going very far in this direction, apparently much farther than Washington strategists expect.

Not only the three "principal strategic zones," but in fact the entire world serve as the object of U.S. military-political strategy. Thus, Secretary of Defense H. Brown states that "in a certain sense the border of the United States follows a great arc, which includes vital regions for us from northern Norway to Japan and the Aleutian Islands."[14] As if to clarify this thesis, NEW YORK TIMES commentator D. Middleton writes: "Many people at the Pentagon claim... that, starting in 1975, the sphere of American military responsibility went beyond its usual framework of Central and Northern Europe, the Mediterranean Sea and the northwest Pacific Ocean. They believe that the Indian Ocean and the Persian Gulf, the South China Sea between Vietnam and the Philippines, as well as, perhaps, the Caribbean Sea will become regions requiring a greater American responsibility."[15] The interest of American strategists in Africa, especially its regions south of the equator, as well as in Latin America as a whole, has lately increased sharply. The main reason for this is the more and more intense sociopolitical shifts, which have been taking place in the countries of the mentioned regions and which threaten the dominant positions of U.S. capital there.

On the whole, despite the "revisions" and "evolution" of U.S. military-political strategy, its general approaches, which determine the purpose and methods of employing military force, as practice and official documents show, at the turn of the decade in principle remain the same. It is a matter, first of all, of the official concepts of "deterrence" (more precisely, "deterrence through fear" [sderzhivaniye putem ustrasheniya]), "front line defense," "flexible response" and "collective security." These concepts form a sort of political framework around which the American "grand" strategy is built.

The concept of "deterrence"--the fundamental military-political concept of the United States in "peacetime"--reflects the aim of using the permanent threat of force against other states (the threat of their punishment for actions not in accordance with the wishes of the United States) as one of the most important means of American foreign policy. Here it is borne in mind that on a global scale the Soviet Union is the primary target of "deterrence." In this connection this concept serves as the basis for the policy of ensuring a global "balance of forces" and regional "balances of forces," which are advantageous for the United States, as compared with the Soviet Union, that is, the constant build-up of the military strength of the United States and its allies.

The concept of "front line defense" calls for the creation of favorable strategic conditions for the United States for the use of military force, and first of all the maximum separation of the regions of possible wars with their fatal consequences from the territory of its country (by the deployment of American forces on the territory of other states, the active use of the forces of allies and so forth).

The concept of "flexible response" remains the most important component of U.S. military-political strategy. This term is also being retained as the designation of official NATO strategy. This concept substantiates the need for the United States and its allies to have a military strength, which is tailored and constantly ready for real use at all levels of "intensity of conflict"--from a small local conflict to an all-out nuclear war. Lately Washington has been emphasizing the further extension of the range of the "flexible" use of military force, seeking to substantiate the possibility of the "limited" use of nuclear weapons.

The accomplishment of the objectives specified by the mentioned concepts today, as never before, is being made directly dependent on the possibilities of implementing the concept of "collective security." This concept implies the pooling of the resources of the developed capitalist countries and the developing countries dependent on them in order to achieve "common" military-political objectives which, however, are naturally advantageous first of all to Washington.

II

Let us dwell in more detail by what specific means the present "grand" strategy of the United States envisages the achievement of its declared objectives, as well as how it is attempting to implement the principles of this strategy.

The classification of the wars for which the United States should prepare, which is presented in Presidential Memorandum No 10, that is, one of the fundamental documents of the "new" "grand" strategy, extends their range, as well as specifies their characteristics and priorities, first of all from the standpoint of confrontation with the Soviet Union. Five types of wars are envisaged: a strategic nuclear war--a direct encounter between the United States and the Soviet Union; a war between NATO and Warsaw Pact countries; a war between countries of the West and the socialist countries in "some other region" (meaning first of all the Near East, as well as Africa); a war in the Far East (here there is an obvious hint at the possibility of an American-Chinese alliance against the USSR); and a war in a region remote from the Soviet Union (this type is called a "Vietnam-type war"). It is emphasized that in the first two types of wars the Soviet Union will be the main opponent of the United States, while in the next two it is a "very likely" one.[16]

The possibility of such a "diversity" of wars with U.S. involvement should, according to Washington's scheme, substantiate the legitimacy of the extensive use of American military force, as well as convince the American and world public of the feasibility of control over its use, as well as its spatial and other limitations.

A dual approach--the combination of the build-up of military strength with "arms control" negotiations with the unconditional priority of the former direction--has been proclaimed as the basic principle in the area of the formation of armed forces. This principle means, as President Carter explained, that "even while seeking arms control agreements, we will modernize our strategic systems and strengthen our conventional forces."[17] In a report to Congress Chairman of the Joint Chiefs of Staff, General D. Jones, just as unequivocally called for "more arming, in order, perhaps, to disarm." "Our objectives in the area of arms limitation...," he stated, "can be achieved only through a balanced strategy of negotiations and the implementation of arms projects. Regardless of the outcome of the present round of strategic arms limitation talks... it will be necessary to spend more money on strategic forces."[18]

Such aims--and they are being carried out in practice--are hard to regard as anything but substantiation of the policy of continuing the arms race.

The mentioned aims were embodied in practice back in 1977-1978 in Washington's decision (which was also imposed on other NATO members) on an annual 3-percent increase of defense spending in real terms for an indefinitely long period regardless of the course and results of the any arms limitation talks, in which the United States and its allies participate. In the new five-year U.S. defense program, which President J. Carter announced in his speech at the Businessmen's Council on 12 December of last year, the goal is set to increase immediately the annual rate of increase of defense spending more than 1.5-fold--to 4.5-5 percent in real terms.

In the area of strategic nuclear forces, despite the official confirmation by the American Administration of its willingness to observe parity between the USSR and the United States and the recognition of the danger with which its violation would be fraught, in fact the aim of overcoming it in both physical and conceptual terms was given again. It finds expression in the policy of stepping up the qualitative strategic arms race and of constantly modernizing all three components of the strategic forces (the "strategic triad"), as well as in the nature of current programs for the development of new strategic weapon systems, such as the mobile MX intercontinental ballistic missile system, the sea-based Trident missile system and long-range cruise missiles. All these programs are substantiated by the need to guarantee the United States "strategic flexibility," that is, the ability to wage "a limited strategic nuclear war" in order to reduce the likelihood of an all-out nuclear catastrophe. However, such grounds are no more than an illusion. U.S. military-political leaders themselves also recognize the danger of any plans for the limited use of nuclear weapons. Thus, Secretary of Defense H. Brown stated: "In no way can we be sure that the first use of nuclear weapons, regardless of how selective the targets may be, will not lead to an escalation to the level of the exchange of unlimited nuclear strikes."[19]

In the opinion of many Western specialists and politicians, the true purpose of these programs is the aspiration--which, let us note immediately, is regarded as impracticable by realists--to attain strategic superiority, that is, the capability to inflict a first (disarming) strike against the strategic forces of the opponent (the Soviet Union), which would preclude retaliation on a scale "unacceptable" to the United States.[20]

In face of the parity in the strategic forces of the USSR and the United States, special emphasis in the current "grand" strategy of Washington is placed on assuring regional "balances of forces" which are advantageous to the United States and its allies. In this connection great importance is being attached to the build-up of general forces, which include so-called tactical nuclear forces and conventional forces. The highest priority in this area is assigned to the accelerated build-up of the potential of the United States and of NATO as a whole in Western Europe, since Europe is considered the main regional theater of military confrontation with the Soviet Union.

U.S. strategy calls for the build-up in Western Europe of both the nuclear and the conventional components of the military potential. The development of new types of tactical nuclear weapons (in particular, neutron weapons) and especially the deployment on the territory of the West European members of the bloc of new types of their carriers--American medium-range missiles--are being relied on. Since these missiles will be able to hit targets on the territory of the Soviet Union, as Western specialists therselves emphasize they come under the category of "tactical nuclear weapons." By being placed in Europe, the new American medium-range missiles, as the American magazine TIME admitted, cease to be tactical weapons and become strategic weapons.

NATO's decision to deploy such missiles "is a clear attempt to upset the established balance of forces, which until most recently was recognized by the leaders of the western countries, including President Carter," Member of the Politburo of the CPSU Central Committee and USSR Minister of Foreign Affairs A. A. Gromyko recently noted. It is especially dangerous under conditions in which the U.S. and NATO position of being prepared to be the first to use nuclear weapons in Europe is maintained.[21] At the same time American strategists, as was noted above, are feeling serious apprehensions about the consequences of such a step, namely the great likelihood of a "tactical" nuclear war developing into a strategic one, which would threaten the existence of the United States itself. For this reason Washington is pushing its NATO allies to a further conventional arms races, intimidating them with the idea that the alternative to such a policy is the prospect of nuclear war on their territory. At the same time it is seeking to inspire them by the fact--and in this lies another explanation of the indicated course--that the adjacency of anti-Soviet China to the eastern borders of the Soviet Union, so they say, affords NATO an opportunity to achieve an "advantageous balance" in conventional forces with the Warsaw Pact countries in Europe. Does not the reason for the evasion by the western powers of business-like negotiation on force and arms reduction in Central Europe lie in such illusory calculations?

The aim at actively preparing for warfare in Europe, including conventional warfare, involves an enormous danger, which, by the way, is also realized in the United States. When discussing the possible consequences of a "conventional" conflict in Europe, given NATO's aim at using nuclear weapons first, many specialists express the opinion that this might also lead to a "major" nuclear war. "In this sense," it is stated in one American study, "the emphasis placed by the President on increasing the combat effectiveness of forces (of NATO--Yu. K.) for the European theater is the scariest news to be invented by military theoreticians since the times of Truman."[22]

The essence of the adjustments made by Washington in those parts of the military-political strategy, which concern the use (or the threat of use) of military force in the zone of the developing countries, particularly the Near East, boils down to the following. The main principle, which stipulates that local militaristic regimes remain the most important military-political bulwarks of the United States in the countries of Asia, Africa and Latin America, has been retained. Now Washington is striving to supplement it with the aim at "the expansion of the sphere of responsibility" of NATO for the purpose of stepping up the activity of the bloc in the Near East, Africa and other regions. In the development of its own forces, which are intended for military intervention in the zone of the developing countries, the United States has laid further emphasis on the deployment and increase of the combat readiness of mobile formations, transport aircraft and certain elements of the navy. Thus, military intervention in the affairs of developing countries is now regarded in Washington as the use--depending on the situation--of three types of forces: local satellites, allies from among the imperialists states, first of all NATO partners, and the United States itself. Of course, Washington prefers to use, wherever possible, as the immediate strike force the forces of other states, while performing itself the role of organizer of the military actions and supplier of arms and other material resources. This is precisely the way the United States acted, for example, during the NATO intervention in Zaire in 1978, where French and Belgian troops, and then "pan-African forces" from a number of countries closely linked with the West, performed the role of the expeditionary corps, while the United States carried out their airlift and supply.

In adjusting U.S. strategy in the Far East and in the zone of the Pacific Ocean, the present administration stresses not only the "China factor," but also the increase in the military-political contribution of its "traditional" allies in this region--Japan and South Korea. By encouraging the militaristic activity of Beijing, Tokyo and Seoul, the American administration is promoting their mutual military and political rapprochement, but is trying to make sure that it is carried out under the aegis of the United States. As for the U.S. military presence in this region, at first, when the present administration came into office, the intention to reduce it somewhat by means of American land forces in South Korea was announced (with the simultaneous increase of military aid to Seoul and the increase of the capability to quickly build up the air potential of the United States itself). However, later the implementation of the troop withdrawal plans was postponed indefinitely. One of the reasons for these changes was the same "China factor," but its influence on Washington's new decisions was now given the opposite interpretation. As former Chairman of the Joint Chiefs of Staff General G. Brown explained, the essense of the matter is, he said, that "the PRC... regards the U.S. presence in Asia as a counterbalance to Soviet military might."[23] Such ideas were expressed even more frankly in the speech of Vice President W. Mondale during his trip to China in August 1979.

III

The nature of the present-day military and political strategy of the United States even now, on the threshold of the 1980's, attests that militarism remains a "vital manifestation" of capitalism,[24] that the aggressive nature of imperialism has not changed and it still places great emphasis on military strength as a means of protecting its social system and achieving its global expansionist objectives. At the same time it clearly demonstrates that militarism is undergoing a profound crisis and that its opportunities to influence international sociopolitical processes, as well as the ability to adapt to changing conditions, are steadily decreasing. This is responsible for the growing untenability of American military and political strategy.

The adjustments made by the present administration are based to a considerable extent on the same false notions of American ruling circles about the nature and trend of world development, which have already been discredited in the past. Thus, the continuation of the arms race is being relied on as before in expectation of wearing down the Soviet Union and the other socialist countries economically. Historical experience, which attests that such designs have always ended in failure, is thereby being ignored. They are all the more doomed today, when the gap in the production levels of the two systems continues to steadily decrease.

Just as illusory are Washington's expectations of using for military purposes the "technological advantages" of the West, which in fact are imaginary, existing merely in the imagination of American and NATO strategists. Persistent clutching to such illusions not only cannot but arouse apprehension, but also cannot but be surprising: after all, the outstanding achievements of the Soviet Union in the field of science and technology were recognized long ago and widely in the United States itself.

On the domestic political level the supporters of power politics are hoping that the "unpleasant memories" of Americans about the "dirty war" in Vietnam are gradually, they say, fading into the past, while "the American way of life" is fertile soil for nuturing chauvinism and the cult of power--that spiritual buttress of militarism. However, the ultimate weakness of such expectations is attested by the fact (the results of public opinion polls, which have been published in the United States, also bear witness to this) that most Americans as before support detente and arms limitation.

U.S. military and political strategy is being undermined more and more by deepening interimperialist conflicts, particularly Washington's unceasing attempts to impose on its allies strategic aims which make them the primary targets of a retaliatory attack in a nuclear war.

The carrying out of this strategy is faced with the development of anti-imperialist trends in the developing countries, their desire for political and economic consolidation in the interests of ensuring national independence and social progress and of the struggle against imperialism and its agents. The failure of the imperialist adventures against Ethiopia and South Yemen, the revolutions in Afghanistan and Iran, the collapse of CENTO, the resolute rebuff by nations of the American-Israeli-Eygptian conspiracy, the fall of American protege Somoza in Nicaragua--these are just a few examples of recent years, which attest to the impracticability of Washington's military and political designs with respect to the developing countries.

At the same time the shrinking opportunities of militarism may in a number of cases even increase its adventuristic nature, which, given the modern types of weapons at its disposal, is fraught with great danger. The official declared aims of U.S. military and political strategy at achieving military technological superiority, which in practice means the aspiration to develop more and more destructive types of weapons, are arousing even greater alarm.[25] The military-political adventurism and shortsightedness of the American supporters of power politics are also fully revealed in the aim at forming a bloc with the Beijing militarists.

What is the outlook for the evolution of U.S. military and political strategy in the immediate future? Apparently it is hardly possible to expect that the realization by American ruling circles of the realities of today will lead to a radical revision of the primary aim of this strategy--the reliance of U.S. policy on military power and the arms race. Even the fact that the constantly increasing budget requests of the Pentagon in recent years have found quite unanimous support both in the White House and in Congress, does not give grounds for such a conclusion. Washington is also forcing its allies, first of all the NATO members, to continue the arms race.

The attempts to guarantee the NATO bloc military superiority, L. I. Brezhnev noted in a speech in Berlin on 6 October 1979, will force the socialist countries to take countersteps. "The socialist countries, of course, would not look indifferently on the efforts of the NATO militarists," he said. "In this case we would have to take the necessary additional steps to strengthen our security. We would be left with no alternative."[26]

At the same time L. I. Brezhnev emphasized again that "we are not seeking military superiority. It has never been and is not our intention to threaten any state or group of states whatsoever. Our strategic doctrine is of a purely defensive orientation."[27]

In a talk with the working group on disarmament problems of the Socialist International on 1 October 1979 L. I. Brezhnev again stressed the need to mobilize the peace-loving forces for the struggle against the arms races and the threat of a worldwide nuclear war. "It is necessary for nations to realize the threatening danger,"[28] he stated.

In this connection one cannot fail to notice the enormous importance of the processes taking place within the United States, which could restrain the most dangerous trends in the development of American militarism, promote the narrowing of the sphere of its activity and prepare the ground for the changeover of the United States to a most realistic policy in the area of arms limitation and military detente as a whole.

First of all there is such a factor as the growing realization by more and more Americans, including realistically thinking representatives of the ruling circles, of the mortal danger for the United States itself, with which the arms race being launched by American militarism and its military and political strategy as a whole are fraught. In the United States the forces supporting serious changes in the nature of the military policy of the country with allowance made for the realities of today are stepping up their activity, the criticism of the very principles of power politics is increasing. Expressing this point of view, American scholars F. Morrison and P. Walker write: "If henceforth such concepts as 'triad,' 'essential parity,' 'front line defense,' 'flexible response' and 'the fanning out of forces' continue to dominate in the military planning of the United States, they will be faced with two serious dangers: first, the prospect of being periodically drawn into interventions, which lead to larger or smaller 'Vietnams,' and, second, in the end of being exposed to nuclear annihilation."[29] E. Ravenal, an associate of the Washington Institute for Political Research, calls for the rejection of the current expansionist interpretation of the concept "national security" and a return to its true meaning as a function of national defense. He proposes to discard such dangerous concepts (in their American interpretation) as "deterrence," "front line defense," "collective security," the categories of "supremacy," "military balance" and so forth, on which U.S. military and political strategy is based, replacing them with a new strategy, of which the concept "the prevention of war" would be the basis.[30]

The repudiation by the United States of its pretensions to regard the entire world as the sphere of its military and political "commitments" would make it possible, in the estimation of American specialists, to reduce the defense spending of the country by at least 40 percent, to say nothing of the fact that this would lead to a radical improvement of the international situation.

The question of the relative role of the two means of ensuring the security of the country: through the build-up and use (or the threat of use) of military strength or through its limitation on the basis of the equal security of the sides, today is in fact at the center of the struggle over the problems of military and political strategy in the United States. All the proposals being advanced in the United States as an alternative to the present military-political course include demands to step up the efforts in the area of arms limitation on the basis of close cooperation with the Soviet Union. Realistically thinking scholars and politicians regard as the main condition for this the repudiation of the attempts to achieve unilateral military advantages. "In order to achieve agreements (in the field of arms limitation--Yu. K.)," writes Professor G. Kistiakowski, former science adviser to the president, "we should unequivocally recognize the equal status of the Soviet Union and take into account its legitimate need for security."[31]

The attitude toward the attempts of certain circles to achieve unilateral military advantages for the United States is the litmus paper which makes it possible to determine in the United States the true supporters and opponents of arms limitation.

In recent times in the United States the supporters of power politics and the aim at achieveing military superiority have apparently been gaining the upper hand, which is attested by the mentioned speech of J. Carter on 4 January. "On the whole the President's statement," it is noted in the TASS statement concerning this speech, "creates the impression that in it political equilibrium has been lost, there is no consideration of the international situation, the real opportunities of the United States are overestimated and the opportunities of those states, with respect to which the United States intends to take certain steps or others, are definitely underestimated. But no one in the United States should have any doubt that the Soviet Union will be able to stand up for its legitimate interests, the interests of its allies and friends. Whoever wishes to ignore this always runs the risk of making a policy blunder and of doing greater harm to his own country and his own people than to those against whom some step or another is aimed.

"The leading circles of the Soviet Union would hope that a sober, far-sighted approach to Soviet-American relations, including efforts to preserve peace, in the end will come out on top in the United States."

The prospects of the struggle to curb the arms race and, in the end, the fate of mankind largely depend on what position prevails in Washington's policy.

FOOTNOTES

1. For more details on the essence of U.S. military and political strategy see G. A. Trofimenko, "SShA: politika, voyna, ideologiya" /The United States: Policy, War, Ideology/, Moscow, 1976.

2. In Soviet literature the indicated variants are referred to as "military doctrine," to which our reader is more accustomed. In the United States this term in practice is not used in this meaning, although objectively military doctrine, of course, exists there. With allowance made for a certain conventionality such a substitution of terms seems acceptable in a number of cases, since American military and political strategy gives an idea of the basic traits of U.S. military doctrine. It should also be noted that the strategy of "flexible response" remains to this day the official strategy of NATO and as such is fully supported by the United States.

3. The contents of these documents were made accessible to the American press and have been commented on extensively by it (see, for example, THE NEW YORK TIMES, 12 July 1977; 6 January 1978; THE NATION, 18 February 1978).

4. "Carter's Speech at Wake Forest University," Official Text, Washington, 11 April 1978, p 5.

5. "U.S. Military Posture for FY 1979," Washington, 1978, p 17.

6. "Department of Defense Annual Report, FY 1980," Washington, 1979, p 59.

7. "Department of Defense Appropriations for 1980," Hearings Before a Subcommittee of the Committee on Appropriations, House of Representatives, Part I, Washington, 1979, p 365.

8. "Department of Defense Annual Report, FY 1979," Washington, 1978, p 3.

9. Ibid., p 40.

10. See, for example, "Department of Defense Annual Report, FY 1979," p 23; "U.S. Military Posture for 1979," p 4.

11. "Department of Defense Annual Report, FY 1979," p 18.

12. Ibid., p 70.

13. THE NEW YORK TIMES, 16 December 1977.

14. "Department of Defense Annual Report, FY 1979," p 18.

15. THE NEW YORK TIMES, 12 July 1979.

16. J. Collins, "American and Soviet Trends Since the Cuban Missile Crisis," Washington, 1978, p 2.

17. "Carter's Speech at Wake Forest University," p 3.

18. "Department of Defense Appropriations for 1980," Hearings..., p 367.

19. "Department of Defense Annual Report, FY 1979," p 53.

20. See, for example, "The First Use of Nuclear Weapons: Preserving Responsible Control," Hearings Before the Subcommittee on International Security and Scientific Affairs of the Committee on International Relations, House of Representatives, Washington, 1976, pp 11, 31, 32; ARMS CONTROL TODAY, February 1978, pp 1, 3.

21. "The strategy of the United States and NATO," Secretary of Defense H. Brown confirmed, "envisages for NATO the opportunity to use nuclear weapons first" ("Department of Defense Annual Report, FY 1980," p 86).

22. NATION, 18 February, p 169.

23. "United States Military Posture for FY 1979," p 56.

24. V. I. Lenin, "Poln. sobr. soch." /Complete Works/, Vol 17, p 187.

25. Let us cite in this connection the following statement of U.S. Assistant Secretary of Defense W. Perry: "Constant vigorous efforts in the development of science and technology... are the key to ensuring U.S. advantages over potential opponents in the area of military research and development,... the basis of military technical superiority,... the source of new weapons systems" ("The FY 1979 Department of Defense Program for Research, Development and Acquisition," Washington, 1978, pp VII-1).

26. PRAVDA, 7 October 1979.

27. Ibid.

28. PRAVDA, 2 October 1979.

29. THE SAN FRANCISCO CHRONICLE, 25 October 1978, p F-1.

30. INQUIRY, 1 May 1978, pp 18-21.

31. THE DEFENSE MONITOR, March 1978, p 7.

5875
CSO: 1803

THE LABOR UNIONS AND MEANY'S DEPARTURE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 22-34

/Article by G. D. Gevorgyan/

/Text/ The 13th congress of the national labor union association of the United States--the American Federation of Labor-the Congress of Industrial Organizations (AFL-CIO)--was held in Washington in November 1979. At the congress, for the first time since the founding of the labor union center in 1955, the 85-year-old George Meany refused to be nominated as AFL-CIO president. The congress elected as president of the labor union center Lane Kirkland, who prior to this was AFL-CIO secretary-treasurer. The congress elected Thomas Donahue, who had held the position of executive asstant to George Meany, as the new secretary-treasurer. Meany himself was proclaimed honorary AFL-CIO president at the congress.

During all 24 years that he held the position of AFL-CIO president, George Meany pursued a policy of class cooperation, anticommunism and anti-Sovietism. During the period of the Cold War and the McCarthy reaction Meany and his collaborators were able to establish rigid control over the entire U.S. labor union movement. But under the influence of the discontent in the American labor union movement with Meany's support of U.S. aggression in Indochina and under the influence of the aspiration of the trade unionists to repulse the attack of the monopolies on their standard of living and to achieve the pursuit of a policy of detente and peaceful coexistence, by the time that the AFL-CIO leadership changed serious changes had occurred in the labor union movement, which would have an unavoidable influence on its subsequent development.

In its day the Cold War did serious harm to the U.S. labor union movement. As C. Wilson, chairman of the American company General Electric, frankly admitted, one of the goals of the organizers of the Cold War consisted in routing the progressive forces of the labor union movement.[1] Under the conditions of the Cold War American ruling circles strove first of all to deal with the left wing of the Congress of Industrial Organizations (CIO). This labor union center was formed in the second half of the 1930's as a result of the creation of industrial labor unions, which for the first time united the workers of the leading sectors of American industry. American communists, who, even in the words of bourgeois author S. Alinsky, "worked tirelessly, not considering any job too unskilled or unimportant,"[2] played a great role in the founding of industrial labor unions and the CIO.

The communists and other progressive-minded figures, who officially headed at least one-fourth of all the CIO organizations, enjoyed great authority in it and achieved a qualitative change in its policy. This circumstance afforded the CIO an opportunity to dissociate itself from the union bureaucracy of the American Federation of Labor (AFL), which during the entire existence of this labor union center pursued a policy of class conciliation, anticommunism and the support of the expansionist foreign policy course of American imperialism. For 10 years the CIO played a progressive role in the formation of the class traditions of the American proletariat, welcomed and supported the cooperation between the USSR and the United States in the struggle against Nazi Germany, and after its defeat insisted on the development of Soviet-American relations on the basis of the principles of peace, friendship and mutually advantageous cooperation.

The American reaction was able to strike the strongest blow against the labor union movement at the CIO congress in Cleveland in 1949. At this congress, which, in the words of the late veteran of the American labor movement and honorary chairman of the Communist Party of the United States W. Foster, was turned into "an orgy of witch hunting of reds,"[3] 11 of the most militant and progressive labor unions, which had about 1 million members, were expelled from the CIO on the pretext of "the domination of communists in them." As a result of the struggle of the union bureaucrats, monopolies and government against the unions, which were expelled from the CIO, only 2 of these 11 organizations are intact today--the United Automobile, Aerospace and Agricultural Implement Workers of America and the International Union of Dockworkers and Warehousemen of the West Coast. The other nine labor unions were unable to withstand the attack of the reaction and ceased to exist.

One of the goals of the initiators of the attack on the labor union movement during the Cold War consisted in destroying the coalition of leftist forces with the forces of the center, which had formed in the CIO in the 1930's. The wave of repressions, which fell on the labor unions, tore many progressive leaders from their ranks and led, as General Secretary of the Communist Party of the United States G. Hall noted, to the destruction of the left wing of the American labor union movement. In turn this caused the isolation of the forces of the center in the labor unions and their absorption by the right wing labor union bureaucracy. "One of the most adverse consequences of the era of McCarthyism... consists in the fact," G. Hall emphasized, "that the leftist forces (in the labor unions--G. G.) were destroyed, while the forces of the center were demoralized and dispersed."[4]

During the same period the Communist Party of the United States also incurred heavy losses. The persecutions of the reaction along with some internal weaknesses for a number of years prevented it from having the proper influence on the working class. The party lost nearly all the workers' clubs it had and ceased to provide literature to the workers at the plant gates.

After the split in the CIO this labor union center lost its fighting spirit and refused to pursue a progressive foreign policy course. The size of the CIO decreased from 6 million to 4 million members. The CIO leadership began to cooperate with the AFL in the matter of supporting the aggressive foreign policy of American imperialism. In the situation which had formed in the U.S. labor union movement the domination of the reactionary bureaucracy headed by G. Meany was established for many years.

The merger of the AFL and the CIO and the formation of a single American labor union center, which now has 13,542,000 members, created enormous potentials for the entire U.S. working class. However, these potentials could be revealed only as a result of a stubborn struggle of the progressive forces against the reactionary labor union bureaucracy which headed the AFL-CIO. G. Meany and his collaborators imposed on the constituent congress of the new labor union center the adoption of a charter which was reactionary in its nature and in which it was indicated that one of the goals of its executive council consists in protecting the AFL-CIO from communist influence.

Under the conditions of the suppression of the progressive forces in the labor unions and in the atmosphere of the Cold War and the hysterical campaigns of anticommunism and anti-Sovietism Meany's group was able for many years to carry out the most reactionary pro-imperialist activity, which was subordinate to the goals of the defense of American capitalism and the support of its foreign policy aspirations on the world arena. The policy of the union bureaucracy headed by Meany consisted first of all in the aspiration not to allow mass demonstrations of the working class and, in particular, the development of its strike struggle in defense of its own interests. The union bureaucracy strove to limit the increase in the size of the U.S. labor unions, as a result of which they now unite in their ranks less than one-fourth of the able-bodied population of the country, while at the time of the merger of the AFL and the CIO one-third of the employed workers belonged to them.

The union bureaucracy of the AFL-CIO also promoted the intensification of the exploitation of the working class by its racism, which takes the form first of all of the refusal to support the civil rights movement of blacks and the representatives of other national minorities and the aspiration to make the labor unions and especially the executive positions in these organizations inaccessible to them. The racism of the union bureaucracy is one of the reasons that Americans with dark skin suffer most from unemployment and poverty, are forced to take the most difficult and lowest paid jobs and in essence are deprived of the opportunity to join many labor unions. Meany himself once admitted cynically: "The kings of industry should kneel down and thank God that the American labor unions are saving our system."

The bureaucratic clique of the AFL-CIO gave no less assistance to American imperialism in pursuing its foreign policy course. All of Meany's activity in this area was subordinate to the goals of the struggle against the forces of peace, national liberation and social progress. In appraising the services which Meany and his followers have rendered to the foreign policy of the U.S. Government, S. Lens, an American bourgeois expert of the labor union movement, noted: they "did for the U.S. Government what it could not do itself, namely they created a 'labor union' basis in many countries for pursuing the policy of the 'Cold War'.... Without the Meany clique American imperialism would be more isolated and the political map of the world would be significantly less conservative."[5]

Meany and his followers gave American imperialism the most significant assistance during U.S. aggression in Vietnam. Meany subordinated the work of the sixth, seventh, eighth and ninth AFL-CIO congresses, which were held in 1965, 1967, 1969 and 1979, as well as a large number of the meetings of the executive council of the federation to supporting the escalation of the U.S. war of aggression in Indochina. This enabled official American propaganda to claim that the aggression ostensibly was in keeping with the interests of the working class.

For many years the foreign policy activity of the AFL-CIO leadership was assisted to a considerable extent by the fact that the union bureaucracy and the bourgeois mass media were able to force upon a significant part of the working class the idea that militarization and the arms race were a panacea for economic difficulties, which guarantees employment and the increase of wages and maintains economic stability. And during the first years of U.S. military intervention in Vietnam a significant portion of the working class was convinced of its beneficial effect on the economy. A poll of the population of the main voting districts of the country, which was conducted in 1966 by the University of Michigan, showed that 54 percent of those surveyed counted on deriving material benefits from the economic boom which was stimulated by the war.[6]

However, the escalation of U.S. aggression in Vietnam in the second half of the 1960's and the defeats of the interventionists under the blows of the national liberation forces changed the attitude of the American working class toward the policy of military adventures. The workers were convinced that this policy was causing an increase of prices and inflation, was increasing the tax burden and was hampering the solution of the socioeconomic problems of American society and that the position of the workers was growing substantially worse. The emergence of the dissatisfaction of the workers with the war in Indochina was promoted, along with the indignation with the crimes of the American soldiery, by the realization that they were themselves becoming its victims. As U.S. aggression in Indochina was stepped up and the gains of the national liberation struggle of the peoples of this region grew, the antiwar sentiments of the American workers increased. Thus, whereas in 1967 only 34 percent of the labor union members opposed U.S. aggression in Vietnam, in 1971 64 percent of the labor union members condemned it and in the summer of 1972 79 percent did.[7]

Starting in the second half for the 1960's even those labor union executives, who during the years of the Cold War and the McCarthyite reaction supported the policy of class conciliation and the international activity of the bureaucratic clique of the AFL-CIO, had to take into consideration the antiwar sentiments of the American working class. The conflict of the United Automobile, Aerospace and Agricultural Implement Workers of America with the executive clique of the AFL-CIO, which arose in the second half of the 1960's, was the most convincing manifestation of this process. This conflict arose first of all in connection with the fact that the bureaucratic clique of the labor union center, not wishing to take into account the sentiments of the workers, unconditionally supported U.S. aggression in Indochina, fought against the development of Soviet-American relations on the basis of the principles of peaceful coexistence, approved the policy of the arms race and the increase of international tension and conducted jointly with the CIA divisive, subversive activity in the international labor union movement. As a result of the conflict the UAW, which had in its ranks about 1.5 milliom members, withdrew from the AFL-CIO in 1968. In connection with the fact that this labor union unites the workers of the leading sectors of American industry and is closely linked with the worker organizations of other sectors, its position on foreign policy issues was conducive to the withdrawal by a number of labor unions of support for the reactionary foreign policy course of the union bureaucracy.

The development of the struggle to halt U.S. aggression in Indochina in the ranks of the American labor unions and the refusal of a number of labor unions to support the frantic anti-Soviet and anticommunist activity of the reactionary bosses of the AFL-CIO—such is the evidence that they had lost rigid control over the American labor union movement. The demarcation of the political forces in the U.S. labor union movement on the question of aggression in Indochina also influenced the attitude of the labor unions toward the policy of detente and the development of Soviet-American relations on the basis of mutally advantageous cooperation.

The bureaucratic clique of the AFL-CIO was one of the first groups in the United States, which launched the drive against the policy of detente, for which the Peace Program adopted by the 25th CPSU Congress called. The bosses of the AFL-CIO subordinated all their foreign policy activity to attempts to frustrate detente and the process of normalizing Soviet-American relations. Meany and his accomplices strove to involve in this drive not only the labor union members, but also the broadest strata of the American public. Not by chance did G. Hall emphasize that Meany and his supporters "are the most active force opposing the policy of detente."[8]

All the actions of the AFL-CIO bosses were aimed at achieving a revival of the Cold War, but in essence at pushing the world to the brink of a new world war. In the 1970's not a single AFL-CIO congress has passed without the discussion in the corresponding spirit of the question of Soviet-American relations and the passage of resolutions of an openly anti-Soviet nature. The reactionary leaders of the labor union center called for an increase of the NATO military potential, categorically demanded that a cut in

U.S. defense spending not be allowed and supported the production in the United States of the B-1 bomber, cruise missiles and the neutron bomb. Meany and his followers attempted to prevent the holding of the Conference on European Security and Cooperation in Helsinki; after the signing of the Final Act of the conference the AFL-CIO executive council demanded that Congress pass a resolution to reject it. Meany's group exerted the utmost effort to hinder the development of Soviet-American trade and scientific and technical cooperation. It began to take a most active part in unruly anti-Soviet campaigns on the pretext of "the defense of human rights," calling for it to be placed at the basis of all U.S. international policy.

In attempting to frustrate the process of detente, the AFL-CIO leaders went so far as to begin to make attempts to disorganize the work of the United Nations. In the 1970's they focused their efforts on the aspiration to subordinate the International Labor Organization (ILO) to the interests of American imperialism, to dictate to it what it should and should not deal with and to use its platform for smear campaigns against the Soviet Union. However, the ILO did not yield to the pressure of the American reaction, in connection with which the government in Washington, yielding to the demands of the AFL-CIO leaders, announced in November 1977 the withdrawal of the United States from this UN body.

The drive of the AFL-CIO bosses against the policy of detente led to the further demarcation of the political forces in the U.S. labor union movement, which had begun during the years of American aggression in Indochina. At the turn of the 1970's under the influence of the defeats of aggression in Indochina, the change of the balance of power on the world arena in favor of socialism, as well as under the influence of the persistent Leninist policy of peace of the Soviet Union the American public began to be convinced more and more of the need to renounce the Cold War and to conduct a policy of peaceful coexistence. The public polls made back in 1969 showed that the overwhelming majority of Americans wanted "the lessening of tension in the relations between communist and noncommunist" countries for the purpose of strengthening peace.[9]

In spite of the increased efforts of the reaction in the 1970's to frustrate the process of detente, the desire of Americans to achieve the lessening of international tension, the improvement of Soviet-American relations and the strengthening of peace was exceptionally stable. A poll conducted in May 1978 showed that 71 percent of the Americans support the policy of detente. The same poll showed that in labor unions the support of this policy is even greater--74 percent of their members answered affirmatively the question: "Do you support the policy of detente?" In May 1979 more than 80 percent of the union members supported the SALT II Treaty.[10]

Many U.S. labor unions have convincingly demonstrated in their statements, declarations and resolutions why they support the policy of detente. In June 1972 the UAW Executive Council unanimously passed a resolution in which it was indicated that the Cold War is not in accordance with the social and economic interests of the worker. "Therefore we," it was stated in the resolution, "welcome the improvement of relations between the two great powers."[11]

The support by American labor unions of the policy of detente and business cooperation with the socialist countries was brought about not only by their aspiration to strengthen peace, but also by the understanding that such cooperation can ensure the loading of American enterprises and provide jobs to workers who are suffering from the sharp increase of unemployment in the 1970's. In July 1972 the UAW Executive Council passed a resolution which called upon Congress and the government "to help the U.S. economy by providing American enterprises with an opportunity to increase the exports of machine tools and spare parts to the Soviet Union." The council criticized "Pentagon opposition to the liberalization of export policy" and indicated that "not the corporations, but the workers are suffering" from the ban on trade with the Soviet Union. The council called the policy of refusing to develop U.S. trade with the Soviet Union "a policy of economic suicide."[12]

A number of U.S. labor unions are conducting a consistent drive for the development of Soviet-American business cooperation. One of the most progressive American worker organizations--the United Electrical, Radio and Machine Workers of America--not only is passing resolutions with demands on the abolition of discriminatory restrictions on trade with the Soviet Union, but is also acting to achieve this. In conformity with the decisions of its congresses this labor union has sent delegations to Washington to convince the government and Congress to pursue a policy of expanding business cooperation with the Soviet Union. Even the organs of the American bourgeois press have been forced to admit the great importance of the campaigns of this labor union "for the elimination of the barriers in the development of trade with the Soviet Union and other socialist countries."[13]

One of the important reasons for the support of the policy of detente by U.S. labor unions is the fact that their members are understanding more and more: the increase of defense spending is causing a decrease of the budget appropriations which the government uses for solving the problems of the country, which are becoming acute--the reduction of unemployment and the creation of new workplaces, the taking of effective steps on halting inflation, the provision of assistance to the cities which are experience a serious crisis, the improvement of the social security system, medical service and education, as well as for reducing the growing tax burden. The union members are convinced that the expansion of military production causes not an increase, but, on the contrary, a decrease of employment. Here the study recently made by the International Association of Machinists and Aerospace Workers had a great influence: the union established that $1 billion spent by the U.S. Government on military production ensures the creation of 45,000 workplaces, while the use by the government of the same amount of money in civilian production creates 59,000 workplaces, that is, nearly one-third more.[14]

For many years now the UAW has held the conviction that the growth of military production reduces employment and diverts assets from the solution of the socio-economic problems of the country. The International Association of Mechanists and Aerospace Workers is one of the largest and most influential members of the AFL-CIO, while the UAW has the greatest authority in the entire U.S. labor union movement. A considerable portion of the members of these two unions are employed at defense enterprises. Therefore their persistent demands for the reduction of the defense budget and their support of the policy of detente are also convincing other labor unions of the need to fight the inflation of Pentagon expenditures.

As the struggle over the attitude toward the policy of detente develops in the United States, from year to year an increase of the number of labor unions approving of this policy is taking place. By May 1979 such organizations of the AFL-CIO as the International Association of Machinists and Aerospace Workers, the American Federation of State, County and Municipal Employees, the Associated Actors and Artists of America, the Retail Clerks International Association, the Communications Workers of America, the International Union of Electrical, Radio and Machine Workers, the United Garment Workers, the United Textile Workers, the Oil, Chemical and Atomic Workers International Union and the Service Employees' International Union had come out to one extent or another in support of this policy.

All the AFL-CIO unions, which to a greater or lesser extent approve of the policy of detente, are cooperating with the major independent labor unions--the UAW, the National Education Association and the United Mine Workers of America, as well as the most progressive U.S. labor unions--the United Electrical, Radio and Machine Workers of America and the International Union of Dockworkers and Warehousemen of the West Coast. All of these unions, which support detente, have more than 9 million members in their ranks. A number of their leaders belong to the AFL-CIO Executive Council.

The support by these labor unions of the policy of detente and the development of Soviet-American relations had a positive influence on the foreign policy positions of other U.S. labor unions, whose leaders for a long time were reactionarily inclined. From the start of the Cold War the International Longshoremen's Association on the orders of Meany's group boycotted Soviet ships. Therefore, for 25 years Soviet ships were not able to call at the ports of the east coast of the United States. This was a serious obstacle to the development of Soviet-American trade and business cooperation. However, the holding of Soviet-American summit talks in the 1970's and the expansion of the business cooperation of the two countries convinced the labor unions that, as one of the U.S. labor union newspapers indicated, this cooperation "will lead to the creation of thousands of new workplaces in the commercial fleet and in the sectors of the economy connected with it."[15] And the east coast longshoremen halted the boycott of Soviet ships. As a result, on 7 February 1973 the Soviet ship "Novgorod" entered the port of New York, delivering 250 tons of cargo there. Since then Soviet ships have regularly visited the east coast ports of the United States.

Twice after this Meany and his supporters attempted to revive the boycott of Soviet ships--in October 1973 and August 1975. However, they were not successful. Even such an allied of Meany as T. Gleason, president of the International Longshoremen's Association, changed his position. He stated that commercial deals between the USSR and the United States are "a step in the direction of the improvement of Soviet-American relations. Owing to this the longshoremen in all U.S. ports are receiving pay for thousands of hours of work. This is the most important event which could have happened." T. Gleason expressed confidence that U.S. trade with the USSR "will help improve the peaceful relations" between the two countries.[16]

The support by many U.S. labor unions of the policy of detente and the development of Soviet-American relations also affected another important direction of the international activity of Meany's group, which consisted in a ban on the establishment of contacts and ties between the labor unions of the USSR and the United States. This ban was caused by the fear of the reactionary leaders of the AFL-CIO that the close acquaintance of the members of American labor unions with the peaceable foreign policy of the Soviet state and with the achievements of Soviet workers in the building of communism would promote the exposure of the anti-Soviet fabrications of the union bureaucracy and would increase the workers' liking for socialism.

Under the conditions of detente the U.S. labor unions refused to yield to Meany's ban on the establishment of contacts and ties with Soviet labor unions. In the 1970's more American labor union delegations visited the USSR than during the entire preceding period of Soviet-American relations. The members of the American labor union delegations which visited the USSR, as a rule, spoke favorably about the peaceable foreign policy of the Soviet state and about the socio-economic achievements of the Soviet people and declared the need for the policy of detente and the development of Soviet-American business cooperation.

The aspiration of American labor union members to develop relations with Soviet labor unions forced American authorities to renounce in 1977 the ban on issuing entry visas to the United States to Soviet labor union delegations, which for decades had prevented the establishment of contacts and ties between the labor unions of the two countries. The repeal of these discriminatory restrictions enabled a number of Soviet labor unions to send to the United States their own delegations, which were greeted warmly and with interest by the American workers. However, the union bureaucracy is continuing to fight against the development of Soviet-American labor union ties.

The support of the policy of detente by many U.S. labor unions is growing as it is successfully implemented by the Soviet Union and other socialist countries. The change in the position on international issues of the largest union in the AFL-CIO--the United Steelworkers of America--convincingly confirms this. During the entire history of existence of the AFL-CIO the leaders of this union were an important buttress of Meany in pursuing the policy of class cooperation and the drive against detente. But in May 1979, under the influence of the sentiments in favor of detente and the strengthening of peace, which were growing among the masses, the leaders of the United Steelworkers of America were forced to alter their position. On 4 May the executive council of this union unanimously adopted a resolution, in which it was indicated: "We believe that the conclusion between the two most powerful states in the world of the Strategic Offensive Arms Limitation Treaty will be fully conducive to the strengthening of peace, will be a new important step for the establishment of control over nuclear weapons and will help to halt the dangerous and expensive nuclear arms race." In this connection the executive council of the United Steelworkers declared that it considered it exceptionally important for the U.S. Senate to ratify this treaty.[17]

This decision of the executive council of the United Steelworkers was made despite the fact that the AFL-CIO leaders had tried persistently not to allow the labor unions to approve the SALT II Treaty.

The statement of the steelworkers in support of the SALT II Treaty showed even more convincingly that the group of the politically most active labor unions of the United States, which now have more than 10 million members in their ranks, that is, half of all the workers of the country who have been organized into labor unions, supports the policy of detente and, in particular, the SALT II Treaty. The strength and influence of this group of labor unions are attested by the fact that it is headed by the three largest and most influential industrial labor unions of the country--the UAW (1.5 million members), the International Association of Machinists and Aerospace Workers (about 1 million) and the United Steelworkers of America (1.3 million).

A change in the balance of forces in favor of the supporters of detente and the development of Soviet-American relations has occurred in the U.S. labor union movement. Therefore. at its session on 7 August 1979 the AFL-CIO Executive Council was forced to pass a resolution supporting Senate ratification of the SALT II Treaty. Even by the admission of such organs of the bourgeois press as THE NEW YORK TIMES, this resolution is "a clear departure" of Meany's supporters from a hostile attitude toward the SALT II Treaty.[18] The practical importance of the resolution adopted by the AFL-CIO Executive Council on 7 August 1979 is that it deprives the opponents of the treaty of an opportunity to claim that it is in conflict with the interests of the workers who have been organized into labor unions.

The resolution of the AFL-CIO Executive Council, which approves of ratification of the SALT II Treaty, was passed in defiance of the will of its leaders, under the pressure of the situation which had formed in the labor union movement. However, Meany's followers imposed on the council the passage of provisoes to this resolution, which make ratification of the treaty conditional upon the requirement to develop and deploy MX mobile missiles. Moreover, the council members stated that they were against the transfer of some monies from defense items to civilian items of the U.S. budget, for which many American labor unions have been fighting for a number of recent years.[19]

These dicisions of the executive council attest that even under the conditions of the changed balance of forces in the U.S. labor union movement in favor of the supporters of detente its opponents in the AFL-CIO leadership are not laying down their arms.

The struggle over the policy of detente, which has been taking place in the United States in the 1970's, is causing the further polarization of forces in the entire labor union movement. As General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev indicated, "under the conditions of the lessening of international tension the needle of the political barometer is shifting to the left."[20]

In the United States, as in other capitalist countries, the opportunities of the reaction to sow the ideology of anticommunism are decreasing. In his statements in the 1970's G. Hall repeatedly emphasized that "the ideology of anticommunism is weakening" in the ranks of the American workers and that the interest of industrial workers in the Communist Party of the United States is constantly increasing. Under the conditions of detente the increase of the prestige of the Communist Party of the United States helped it to break through the circle of isolation, by which the enemies for a long time had attempted to separate it from the masses; its influence in the labor movement of the country has increased.

The struggle of the American workers for the policy of detente and the strengthening of peace is integrally connected with their struggle for their socio-economic interests. Back in the late 1960's the rank and file union members, having become convinced that the union bureaucracy, by its support of aggression in Indochina, in fact was promoting the worsening of their socio-economic position, launched an independent movement in defense of their interests. The main goal of the movement of rank and file union members during the initial period consisted in the organization of an independent struggle at enterprises against the intensification of labor, the violation of labor safety practices and racial discrimination and in support of the demands on the improvement of pay and the creation of guarantees of employment. The spearhead of the movement was aimed against the employers, but as it developed it challenged the union leadership, which was pursuing a policy of class cooperation.

Under the conditions of the attack of the monopolies and the government on the interests of the working class the movement of rank and file union members promoted a sharp step-up of the strike struggle of the workers in the 1970's. In the number of strikes which occurred in the country (6,074) 1974 was a record year for the entire history of the country. In subsequent years the number of strikes decreased slightly, but the strike struggle of the American working class in the 1970's according to such indicators as the number of strikes, the number of their participants and the number of workdays lost as a result of strikes is greater than during all the preceding decades following World War II. The step-up of the strike struggle of the American workers in fact upset the plans of the union bureaucracy to impose the repudiation of strikes on the labor unions.

The development of the movement of rank and file union members and the stepping up of the strike struggle in the 1970's increased the sentiments within the working class against the policy of class conciliation. In the 1970's the rank and file union members set up their own national and local organizations, such as Miners for Democracy, the United Action Caucus of the American Federation of Teachers, Trade Unionists for Action and Democracy and others.[22]

As a result of the consolidation of the movement of rank and file union members and the step-up of the strike struggle in the labor union movement a left wing was formed, which, as specified by the Communist Party of the United States, is a part of this movement, which "is broad, is growing, is militantly inclined, has a high class consciousness and understands the pernicious role of racism."[23]

Emphasizing the importance of the movement of rank and file union members, G. Hall called it "an event of historical importance," which is affording an opportunity to create a mass base for the development of the leftist trend in the labor union movement. "Now the movement of rank and file members and their groups," G. Hall noted, "has become the mass base of the development of the leftist trend at all levels."[24] In this connection, the communist journal POLITICAL AFFAIRS wrote, the active work of the union members "is having a mighty influence on the entire situation in the labor union movement--from the level of local organizations to the highest body of the AFL-CIO--its executive council."[25]

The events also had an influence on the activization of the forces of the center in the U.S. labor union movement, which, as was indicated above, during the years of the Cold War and the McCarthyite reaction were dispersed or went along with the right wing union bureaucracy. In the 1970's the forces of the center began to a greater or lesser extent to reject class cooperation and to take into account the interests and demands of the workers. In the mid-1970's there emerged in the United States organizations of union members, which united both the representatives of the rank and file movement and the representatives of the center, who held executive positions at various levels of the labor union movement. Among these organizations are, for example, the Coalition of Black Trade Unionists, the All-Union Committee for Shorter Hours, Steelworkers Fightback and others.[26]

"The movement of important political forces in the labor unions away from right wing positions," G. Hall wrote, "is the broadest and most important political process now taking place."[27] In this connection the Communist Party of the United States came to the conclusion that the historical need to create in the United States a lasting coalition of the labor unions holding leftist and centerist positions was ripe.

The situation which has formed in the country during the Carter Administration is promoting the union of the leftist and centerist forces in the labor unions, it is prompting mass public organizations to cooperate with the labor unions. By late 1978 the members of these movements were convinced that the President had not fulfilled the promises given to them during the 1976 election to reduce unemployment, to curb inflation and to solve other socio-economic problems of American society, just as he had not fulfilled his promises to reduce the military budget; while he has been in office the urgent problems have continued to become more acute, while Pentagon spending increased.

During these years the monopolies launched a mighty attack on the rights of the labor unions in order to throw on the shoulders of the workers the burden of the intensifying crisis of American society and to repress the growing struggle of the working class.[28]

In this attack on the working class the Carter Administration was on the side of big business. The administration's policy had the result that the U.S. Congress killed a number of bills, which ensured the labor unions some protection against the attack of the monopolies, as well as a bill which called for measures to reduce unemployment. The Carter Administration is trying to halt inflation by reducing the real wages of the workers, to reduce the federal budget deficit and to increase Pentagon spending by decreasing the appropriations for social programs.

The socio-economic policy of the Carter Administration is arousing the growing discontent of the labor union movement. Even former AFL-CIO President G. Meany was forced to admit that during his election campaign Carter deceived the labor unions and then "betrayed his liberal supporters, having created the most conservative administration since the times of Calvin Coolidge."[29]

The left wing of the U.S. labor union movement is condemning the socio-economic policy of J. Carter even more categorically than the AFL-CIO leadership is. D. Fraser, president of the UAW, which is the leader in this wing, stated that the administration is ineffective and is not pursuing in Congress a bill in which the labor unions are interested. If J. Carter does not change his policy, D. Fraser declares, in the 1980 election he will get into difficulties.

The main reason for the discontent of the left wing of the labor union movement, as well as of the overwhelming majority of democratic organizations of the United States is that, in their opinion, the administration is incorrecting setting the priorities of the country, placing the increase of Pentagon appropriations in the forefront and spending on solving socio-economic problems in the background. U.S. NEWS AND WORLD REPORT wrote in this connection that "liberal groups, such as Americans for Democratic Action, the Black Caucus in Congress, in concert with the labor unions are uniting ranks for the struggle against the budget priorities of the White House and to achieve the limitation of Pentagon spending."[30]

The creation in January 1979 of a broad coalition of labor unions and various social organizations, as well as the events following it attest to this. The preparation for the creation of the coalition was begun back in

October 1978 at a conference in Detroit, which was held on the suggestion of D. Fraser for the purposes of "examining the question of setting up a new union to change the American political system by transforming it into a more responsible, reasonable and democratic system."[31] In all 104 mass public organizations took part in the work of the conference, including 30 major labor unions, among which the unions supporting the strengthening of detente and peace played the most active role during its preparation and work.

"We convened this conference," D. Fraser declared from its rostrum, "because many have become despondent due to the inability of the political system to meet the needs of the American people."[32] Its participants sharply criticized the policy of the Carter Administration and the action of the 95th Congress. Those who spoke called for the creation in the United States of a mass workers' party that would be independent of the two main bourgeois parties. The speech of Representative R. Dellums, who condemned the increase of the U.S. defense budget, was one of the main ones; other conference participants also supported him.

On 15 January 1979 more than 100 participants of the Detroit conference set up the permanent Progressive Alliance in Washington. The declaration adopted by the founders of the alliance on its goals contains a sharp criticism of the policy of the monopolies, right wing forces and the government for the aspiration to shift the burden of the socio-economic and political crisis of society onto the workers, the poor and the national minorities who are subject to racial discrimination. The Democratic and Republican parties, it is indicated in this document, do not want to act in the spirit of political and economic justice. The Progressive Alliance members stated that they support "the policy of strengthening peace and rejecting the inflated defense budget."[33]

The Detroit conference and the founding of the Progressive Alliance stepped up the mass democratic movements. In 1979 hundreds of public organizations held many conferences, at which numerous coalitions were set up to struggle for a change in government budget priorities, for a decrease of defense spending and an increase of the appropriations for social needs, against the government methods to combat inflation, for effective steps to reduce unemployment and for the equal rights of national minorities and women.

The characteristic traits of the current upsurge of the mass movements consist in the fact that the leading role in them belongs to the left wing of the labor unions, as well as in the fact that both the labor unions and other mass public organizations are tying the possibility of solving the socio-economic problems of American society with the need to reduce the U.S. defense budget.

Important changes have occurred in the labor union movement in the 1970's. Despite the attempts of the union bureaucracy of the AFL-CIO to mobilize the labor unions to fight against the policy of detente, in the movement the forces coming out in support of this policy grew stronger; a number of directions of the foreign policy activity of Meany and his followers were defeated. Along with this in the 1970's the revival of the left wing of the labor union movement, which had been smashed during the years of the Cold War and the McCarthyite reaction, took place as a result of the consolidation of the movement of rank and file union members and the movement of the forces of the center away from the reactionary union bureaucracy.

The changes in the U.S. labor union movement took place and are taking place under the influence of factors which neither the forces of American imperialism nor the reactionary union bureaucracy are capable of eliminating. These factors consists in the intensification of the general crisis of capitalism, the change of the balance of forces on the world arena in favor of socialism and the persistent Leninist peaceable policy of the Soviet Union and the other socialist countries.

The retirement of G. Meany from the AFL-CIO presidency and the appointment by the 13th congress of L. Kirkland, who considers himself a follower of the ideology of his predecessor, to his post will not eliminate the sharp confrontation of the forces in the American labor unions. Rather, the heat of the struggle will increase even more. But this struggle already now is taking place under the conditions of the strengthening of the forces of peace and social progress in the U.S. labor union movement and the weakening of the positions of the reactionary union bureaucracy.

FOOTNOTES

1. R. Boyer, H. Morais, "Labor's Untold Story," New York, 1972, p 344.
2. S. Alinsky, "John L. Lewis," New York, 1949, p 153.
3. W. Z. Foster, "Outline History of the World Trade Union Movement," New York, 1956, p 474.
4. POLITICAL AFFAIRS, January 1978, p 1.
5. S. Lens, "Labor Lieutenants and the Cold War," "Autocracy and Insurgency in Organized Labor," edited by B. Hall, New Brunswick, New Jersey, 1972, p 338.
6. LOOK, 31 May 1966, p 25.
7. NEW YORK POST, 4 March 1971, p 46; 12 June 1972, p 22.
8. WORLD MAGAZINE, 20 July 1974, p M-2.
9. THE MIAMI HERALD, 8 May 1969.
10. WORLD MAGAZINE, 17 June 1978, p M-6; DAILY WORLD, 10 May 1979, p 1.

11. NEWS FROM UAW, 5 June 1972, pp 1, 2.

12. NEWS FROM UAW, 21 July 1972, pp 1, 2.

13. UE NEWS, 8 April 1974, p 4.

14. NEWSWEEK, 29 January 1979, p 26.

15. SUMMIT COUNTY LABOR NEWS, 15 December 1972, p 1.

16. DAILY WORLD, 22 October 1975, p 1.

17. DAILY WORLD, 9, 24 May 1979.

18. THE NEW YORK TIMES, 8 August 1979, p A-11.

19. THE NEW YORK TIMES, 9 August 1979, p A-14.

20. L. I. Brezhnev, "Leninskim kursom. Rechi i stat'i" [By the Leninist Course. Speeches and Articles], Vol 2, Moscow, 1973, p 23.

21. WORLD MAGAZINE, 20 July 1974, p M-2; POLITICAL AFFAIRS, July 1978, p 2.

22. POLITICAL AFFAIRS, March 1978, p 35.

23. POLITICAL AFFAIRS, July 1978, p 12.

24. POLITICAL AFFAIRS, January 1978, p 2.

25. POLITICAL AFFAIRS, October 1977, p 6.

26. POLITICAL AFFAIRS, March 1978, p 35.

27. POLITICAL AFFAIRS, January 1978, p 1.

28. THE NATION, 9 September 1978, p 197.

29. U.S. NEWS AND WORLD REPORT, 22 January 1979, p 63.

30. Ibid., p 17.

31. UAW SOLIDARITY, 15-30 October 1978, p 3.

32. DAILY WORLD, 18, 26 October 1978.

33. DAILY WORLD, 16 January 1979, p 8.

7807
CSO: 1803

INDUSTRIAL CONSTRUCTION AND THE INVESTMENT PROCESS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 35-47

/Article by Ya. A. Rekitar and V. B. Kondrat'yev/

/Text/ Capital construction is one of the largest and most important sectors of physical production, which has a diverse influence on all economic development. A wide range of measures, which in essence encompass the entire construction complex and questions of increasing the efficiency of all the components of the construction cycle, is outlined in the decree of the CPSU Central Committee and the USSR Council of Ministers, "On the Improvement of Planning and the Intensification of the Influence of the Economic Mechanism on the Increase of Production Efficiency and Work Quality." This is increasing the interest in our country toward U.S. practice in this area, especially in such questions as the nature of the relationship of the investment process and the construction cycle and the problems of their effectiveness, the improvement of the technological and reproduction structure of investments, the development of operations on the renovation and reequipment of operating enterprises and the reduction of the amount of unfinished capital construction. For all the difference of the social systems and the economic mechanism the study of the experience of the United States in these questions interests us not only because the scale of investments and construction operations in the United States as a whole is comparable with our scale, but also because the general trends of the materialization of the achievements of scientific and technical progress in this area have been reflected to a great extent in the United States.[1]

Let us first of all recall that the investment process is the basis of expanded reproduction, inasmuch as it mediates the replacement and accumulation of fixed capital. In this sense it determines the rates and proportions of economic development in general. The accomplishment of this process also involves expenditures of some investment resources, which assume the form of specific use values--machinery, equipment and devices (the active units of fixed capital), on the one hand, and buildings and structures (the passive units), on the other. But capital construction, which is regarded as the process of forming the units of fixed capital, is one of the most important links of the investment process. The embodiment of a part of the investment resources in concrete production and nonproduction buildings and various structures takes place precisely within the construction cycle.

In the construction cycle three inseparably interconnected stages are usually distinguished: the designing and engineering preparation of the construction site; the construction as such; the placement of the erected buildings and structures into operation. The central place belongs to the construction, in which, as a rule, the main reserves for increasing the effectiveness of the investment process as a whole are incorporated. Close production ties of the construction industry as such with the sectors of the material and technical base of construction--the construction materials and components industry and construction and road machine building--are established at this stage. Together with the sphere of planning and surveying work they all form the construction complex in the economy. It is not surprising that in recent times American and West European specialists have linked more and more often with the development of the construction complex the solution not only of sectorial problems, but also of general economic tasks, such as economic growth, "full" employment, environmental protection, the efficient use of scarce resources and others.[2]

It is of no small importance that construction, in contrast to other sectors of the economy, is characterized by a longer period of production and requires considerably greater one-time investment expenditures on the production of the final product. Precisely this, on the one hand, makes it necessary to accumulate large amounts of capital assets for backing the investment process and, on the other, puts off the moment of the receipt of the economic impact, which under the conditions of changing market conditions is fraught with serious economic consequences, particularly with considerable fluctuations of economic activity.

What are the most important features of the investment process in the United States at the present stage and what is their influence on the development of capital construction?

The Dynamics and Factors of Development

The interrelationship of capital construction and the investment process in real economic life appears in different forms. First of all this pertains to the dynamics of investments and the amounts of new construction, their sectorial, technological and reproduction structure. Here this interrelationship is far from always of a direct, immediate nature. But for a more or less lengthy historical interval of time the overall proportions between the investment process and the construction cycle have remained, as a rule, constant.

In the postwar period the investment process in the United States was characterized by relatively high rates. On the average during 1950-1977 the growth rate of gross capital investments in the U.S. economy was

3.0 percent. At the same time the average annual growth rate of the amounts of new construction was 2.3 percent. This lag reflected the outstripping increase of capital investments in machinery and equipment. Here for some periods the correlation of the growth rates of the amounts of new construction and gross investments changed quite substantially.

The 1950's were marked by the start of a significant reorganization of the U.S. economy under the influence of the scientific and technical revolution. The creation of new sectors required major investments not only in basic production, but also in the development of systems of transportation, communications, the entire production infrastructure, that is, the sectors in which the proportion of construction expenditures as such is comparatively high. Therefore during this period the gap in the rates of gross investments and new construction was relatively small--0.7 (2.8 - 2.1) percentage point (see Table 1).

Table 1

Indicators of the Investment Process

	Average annual growth rates, percent				
	1950–1960	1960–1970	1970–1973	1974–1977	1950–1977
Gross capital investments in the economy.	2.8	3.9	6.1	2.2	3.0
Amount of construction investments .	2.1	2.1	6.0	1.1	2.3

"National Income and Product Accounts 1929-1974," Washington, 1976; "Construction Review" for the corresponding years.

In the 1960's the development of the scientific and technical revolution had an especially great influence on the development of the investment process. One of its typical traits consisted in the fact that the sectors with a high proportion of active units of fixed capital in the capital investments were extensively developed. Moreover, the progress of science and technology in construction itself and its changeover to a considerable extent to an industrial footing made it possible to reduce substantially the construction costs in a number of traditional sectors. As a result, the growth rates of new construction during this period as compared with the preceding period as a whole did not change, although the growth rates of gross capital investments increased from 2.8 percent to nearly 4 percent.

Further, indications of the obsolescence of a considerable share of the fixed capital in the nonproduction sphere, especially in housing construction, the amounts of which during the postwar period virtually did not increase, appeared distinctly in the American economy at the boundary between the 1960's and 1970's. Therefore, the recovery from the 1969-1970 slump was accompanied by the replacement of fixed capital not only in the production sectors, but also to a considerable extent in the nonproduction sectors. The vigorous investment activity during 1970-1973 was combined with activeness in the area of capital construction (Table 2).

Table 2

Dynamics of Construction Investments, Billions of Dollars, 1972 Prices

									Average annual growth rate		
	1929	1950	1955	1960	1965	1970	1973	1977	1929-1950	1950-1973	1950-1977
Gross investments in the economy (total).	61.6	99.0	117.7	127.4	177.4	187.9	227.7	217.4	2.3	3.7	3.0
Including: in buildings and structures	44.0	66.5	81.6	90.0	116.4	115.6	135.6	122.1	1.9	3.2	2.3
Investments of private sector (total)	51.3	83.2	96.3	101.0	138.8	150.4	191.4	187.4	2.4	3.7	3.1
Including: in buildings and structures	34.8	52.2	61.9	62.6	83.1	83.2	105.0	97.5	1.9	3.1	2.3
Investments of public sector (total)	10.3	15.8	21.4	26.4	38.6	37.5	36.3	30.0	2.1	3.1	2.4
Including: in buildings and structures	9.2	14.3	19.7	24.4	33.3	32.4	30.6	24.6	2.1	3.4	2.2

Calculated according to: "National Income and Product Accounts 1929-1974," pp 6, 7, 324; SURVEY OF CURRENT BUSINESS, July 1978, pp 26, 49.

The 1973-1975 slump was accompanied by a sharp decline in investment activity. Only in 1978 in the total amount of capital investments ($254 billion) did the American economy achieve the preslump maximum (1973), while the amount of construction investments in 1978 was lower than this level. But at the same time in recent years in the United States, as in other developed capitalist countries, there has cleared emerged a tendency for the role of the construction complex to increase in connection with the need to solve major investment programs, such as the development of new regions, new sources of raw materials and energy, the ecological problem, the development of the resources of the world ocean. Thus, the measures on implementing energy programs in the United States might have a significant influence on the investment process and the stepping up of construction activity. For example, the increase of coal production by approximately twofold as compared with the 1973 level, which is just being planned, will require, according to the estimates of experts, about $25 billion of capital investments.[3] For the energy problem as a whole, according to the calculations of American specialists, it will be required to invest $800-900 billion in power engineering in 10 years.[4]

The major expenditures connected with the need to solve the ecology problem should also be grouped with the peculiarities of the investment process at the present stage. According to the estimates of American specialists, in the second half of the 1970's the proportions of the expenditures on cleaning up water and the air in the total amount of investments should have been approximately 7 percent in electric power engineering, 11 percent in the chemical industry, 15 percent in the pulp and paper industry, 16 percent in the glass and ceramics industry and 25-30 percent in metallurgy. Foreign experts are trying also to assess the nature of the further development of the investment process under the influence of major investments in environmental protection. According to one such assessment, additional capital investments for these purposes in the amount of up to 10 percent of the total amount of investments might lead to a decrease of the growth rate of the GNP on the whole by 0.3 percentage point, but at the same time an increase of the rates will follow in capital construction.[5]

It is also necessary to note the tendency, which has emerged in recent years, for capital construction to develop beyond the national framework, in which this sector traditionally developed, and its more and more intensive involvement in the international division of labor. The international nature of the investment process now is also being displayed more and more often in the form of construction activity. Foreign trade not only in special construction machinery and equipment, but also in construction services like "engineering," including the performance of technical and economic studies, calculations and substantiations of designing, technical supervision over construction, the equipment of enterprises, start-up and adjustment work and the direct construction of projects, has assumed great importance. The amount of the foreign contracts of the 15 leading U.S. construction firms in 1978 was 40 percent of the total amount of the construction contracts concluded by them. During the period from 1971 to 1975 alone the share of investment activity abroad for 400 construction firms increased from 4.9 to 21.8 percent.[6]

It is well known that among the factors, which affect the investment process under the conditions of modern capitalism, three most essential factors are usually singled out--scientific and technical progress, the state-monopoly regulation of the economy and the intensification of capitalist competition. The dynamics of construction is also under their influence.

Thus, under the conditions of the acceleration of scientific and technical progress, the development of competition and the structural shifts connected with them, as well as in connection with the appearance of new works and sectors the objective conditions are being created for a substantial increase of the amounts of construction investments.[7] At the same time under the same conditions the economy of construction costs, as a rule, is becoming one of the main directions of the increase of the efficiency of the investment process and social production as a whole. And although the average annual growth rates of capital construction increased from 2.0 percent in 1929-1950 to 2.3 percent in 1950-1977, the proportion of construction investments in the total amount of capital investments in the U.S. economy steadily declined. In 1929 it was 71 percent, in 1950--66.9 percent, in 1973--59.2 percent and in 1977--55.7 percent. This is a very important, typical fact.

In the postwar years the influence of the bourgeois government on the development of the investment process increased slightly. It is well known that in its measures it is focusing attention on those spheres of the economy, whose products, in conformity with the bourgeois political economy, do not provide income. These are precisely the sectors which do not attract private capital as a result of the low profitability or the duration of the turnover of capital, but are of great vital importance to the functioning of the entire capitalist economy. Thus, in 1977 the largest item of public investments in the United States was the expenditures on the development of the transportation system--24.2 percent of the investments. The spending in the sphere of education made up about 15 percent, expenditures on municipal services made up 18 percent and the expenditures on the protection and development of natural resources made up 9.8 percent.[8] Government spending increases especially significantly during the years of slumps. Thus, during 1973-1975 the proportion of the public sector in the total expenditures on construction in the country increased from 24 to 31 percent.[9] It can be said that the increase of government interference in the course of the reproduction process in the United States is more and more closely connected with the expansion precisely of the construction field of activity. The overall share of the spending connected with the performance of construction work in public investments is approximately 85-90 percent.

The Sectorial Structure of Investments

The structural changes, particularly the changes of the ratios in the distribution of capital investments among the different spheres and sectors of the economy, are the most important qualitative characteristic of the development of the investment process. First of all the question, how completely are the changes of the ratios between the physical and nonphysical spheres of the economy reflected in capital construction, is of interest.[10]

Studies of Soviet economists have revealed the important tendency of the outstripping development of those sectors of the economy of the leading capitalist countries at the present stage, in which primarily nonphysical forms of wealth and services are produced.[11] They have established that the proportion of the nonphysical sphere in the U.S. GNP from 1950 to 1973 increased from 51.9 to 56.3 percent. The same tendency was also observed in the investment process. The average annual growth rate of investments in the sectors of the nonphysical sphere was 3.6 percent, while that in the sectors of the physical sphere was 3.0 percent. Similar shifts were established in the reproduction of the passive portion of the fixed capital: the proportion of the nonphysical sphere of the economy in the total amount of capital construction increased from 51.6 percent in 1950 to 59.8 percent in 1977 (see Table 3).

Table 3

Dynamics and Structure of Construction Investments,* Billions of Dollars, 1972 Prices

	1950	1955	1960	1965	1970	1973	1977	Average annual growth rates for 1950-1977, percent
Total amount.	33.1	46.5	54.5	75.4	78.2	81.8	70.7	2.9
Including:								
physical sphere. .	16.0	19.7	22.0	29.7	27.9	26.3	28.4	2.1
proportion, percent.	48.3	42.4	40.4	39.3	35.7	32.2	40.2	
nonphysical sphere	17.1	26.8	32.5	45.7	50.3	55.5	42.3	3.4
proportion, percent.	51.6	57.6	59.6	60.7	64.3	67.8	59.8	

---

*Excluding housing construction.

"National Income and Product Accounts 1929-1974"; SURVEY OF CURRENT BUSINESS, September 1975, pp 9-21; July 1978, p 49.

Here the construction investments in the nonphysical sphere increased more rapidly than the gross investments in the economy of the country, while in the physicial sphere the most intensive investments were made in the active portion of the fixed capital. From this it follows that the change in the proportions between the spheres had at its basis the increase of the efficiency of construction activity precisely in the sectors which produce material wealth and are the backbone of the economy. This is also confirmed by the sectorial structure of construction investments: the analysis of Table 4 shows that in the postwar period a significant regrouping of the sectors by growth rates of construction expenditures occurred. Whereas in 1930-1950 agriculture, housing construction and industry led in this respect (the average annual growth rates were respectively 8.4, 7.0 and 2.6 percent), in the following two decades construction investments were made most intensively in the trade and financial spheres, in transportation and communications, in health and education (12.0, 4.3 and 3.8 percent). This shift was connected with the new conditions of reproduction in the American economy in the postwar period and with the changeover to new forms of the intensification of the economy.

Indeed, in connection with the cyclical slump (1973-1975) the share of the mentioned sectors of the nonphysical sphere in the total amount of construction investments decreased slightly. But their growth rates as compared with 1950-1970 remained quite high. The slight decrease of construction investments in these sectors was connected with the flow of capital investments into the spheres of industry in connection with the changeover of the economy during the phases of the recovery and upswing.

The outstripping development of construction of trade enterprises and financial institutions in the postwar period was caused by the extensive diffusion of credit, the changeover of trade to consumer service through supermarkets, the growth of the public dining network, as well as the increase of the net marketing costs. The development, especially in recent years, of various firms, which offer services to business on questions of internal planning, on planning and design operations, advertising and others, belongs here. In 1972 the proportion of new construction in the total amount of spending on commerical construction was already 88 percent.

The intensity of construction in transportation and communications until the mid-1960's was connected mainly with the fulfillment of the program of creating a network of interstate highways and roads. (The development of rail transport at that time proceeded primarily in the direction of the renovation of the already existing system.) Subsequently the proportion of motor transport in the total amount of construction investments in the sectors of transportation and communications declined (in 1950--69.9 percent, in 1977--59.6 percent). The investments in oil pipeline transport up to 1974 were negligible. With the start of the construction of the trans-Alaskan oil pipeline its proportion increased significantly (1950--6.3 percent, 1977--8.7 percent). The proportion of communications increased especially significantly (from 14.3 to 26.9 percent).

The development of science, education and health care as the most important nonphysical conditions of capitalist reproduction stimulated a considerable increase of construction investments in this area. Major scientific centers and laboratories were built, the system of general educational schools, higher educational institutions and medical schools was enlarged. This led to an increase of the share of public health and education in the total amount of capital investments in the United States from 8.4 percent in 1950 to 9.8 percent in 1973.

Table 4

Sectorial Structure of Construction Investments, Billions of Dollars, 1972 Prices

	1930	1950	1955	1960	1965	1970	1973	1977	1930-1950		1950-1973	
									Growth rates, percent	Average annual rate of increase, percent	Growth rates, percent	Average annual rate of increase, percent
Total amount.	36.9	66.5	81.6	90.0	116.4	115.6	135.6	122.1	180.2	3.0	203.9	3.2
Including:												
agriculture	0.7	3.5	2.8	2.4	2.1	1.7	2.0	2.0	500.0	8.4	57.5	-2.5
proportion, percent .	1.9	5.3	3.4	2.7	1.8	1.5	1.5	1.6				
industry.	6.8	11.4	15.8	17.5	24.7	22.3	21.7	23.7	167.6	2.6	190.4	2.8
proportion, percent .	18.4	17.2	19.4	19.4	21.2	19.3	15.9	19.4				
transportation and communications.	9.3	6.1	9.2	11.6	15.0	16.5	16.0	12.7	65.6	-2.1	262.3	4.3
proportion, percent .	25.2	9.2	11.3	12.9	12.9	14.3	11.8	10.7				
trade and finance . . .	1.6	1.0	1.9	3.2	6.0	7.8	11.2	8.2	62.5	-2.3	1120.0	12.0
proportion, percent .	4.3	1.5	2.3	3.6	5.2	6.8	8.3	6.7				
housing construction. .	8.6	33.4	35.1	35.1	41.0	37.4	53.8	51.4	388.4	7.0	161.1	2.1
proportion, percent .	23.3	50.4	43.0	39.5	35.2	32.4	39.7	42.1				
health and education. .	3.9	5.6	7.3	8.2	12.6	13.9	13.2	9.4	143.6	1.8	235.7	3.8
proportion, percent .	10.9	8.4	8.9	9.1	10.8	12.0	9.8	7.7				
other sectors	6.0	5.5	9.5	11.6	15.0	16.0	17.7	14.7	91.7	-0.4	321.8	5.2
proportion, percent .	17.0	9.0	11.7	12.8	12.9	13.7	11.9	12.1				

Calculated according to: "National Income and Product Accounts 1929-1974"; SURVEY OF CURRENT BUSINESS, September 1975, pp 9-21; July 1978, p 49.

The dynamics of industrial construction was quite contradictory. A period of comparatively slack construction activity followed the high rates of the early 1950's, which were connected with the postwar step-up of investment activity, while starting in the second half of the 1960's, after a comparatively long investment boom in industry, a decline even of the absolute amounts of construction investments began. On the whole the proportion of industry in the total amount of construction investments in the U.S. economy in the early 1970's was even lower than in 1950.

Of the individual sectors of industry (see Table 5) power engineering consumed the largest portion of the construction investments. Not only a relative, but also an absolute decrease of the amounts of investments was observed in the mining of natural resources. Only since 1973, in connection with the aggravation of the energy and raw materials crisis, did the share of the extractive industry begin to increase.

Table 5

Structure of Construction Investments in Industry, Percent of Total (Total Amount = 100)

	1950	1973	1977
Processing industry.	32.5	37.0	33.8
Extractive industry.	32.5	18.2	26.7
Power engineering.	35.0	44.8	39.5

Calculated according to: "National Income and Product Accounts 1929-1974," pp 6, 7, 324; SURVEY OF CURRENT BUSINESS, July 1978, pp 26, 49.

In agriculture since the 1950's the expenditures on the reproduction of the passive part of the fixed capital steadily declined. From the most dynamic sector in this respect, which it was in 1930-1950 (the average annual growth rate was 8.4 percent), agriculture was transformed into the main factor of the curbing of construction investments in the physical sphere of the economy. It was the only sector, in which during the postwar period an absolute decrease of construction investments occurred (annually on an average of 2.5 percent).

Thus, before the early 1950's construction accumulation was carried out most intensively in the sectors of the physical sphere of the American economy--industry and agriculture. The new stage of development of the U.S. economy, which began with the launching of the scientific and technical revolution, was marked by the intensification of construction accumulation in the sectors for the production of nonphysical types of wealth.

Technological and Reproduction Structure of Investments

An important indicator of the development of the investment process and its effectiveness is the technological and reproduction structure of the investments. It is understood in the former case as the ratio of the expenditures between the passive (the construction of buildings and structures) and the active (equipment, machinery and so on) parts of the investments, while in the latter case as the distribution of the investments between the building of new enterprises, on the one hand, and the renovation and modernization of previously built enterprises and other facilities, on the other. Of course, other things being equal, the greater the proportion of the active units is, the greater the effectiveness of the investments as a whole is.

A quite definite structure of investments, which results from the level of economic development, the correlation of the intensive and extensive factors of social production and the objective current and long-range needs of the development of productive forces, is formed at each individual historical interval of the economic development of a country. As the experience, for example, of the United States and Japan shows, construction investments increase especially intensively in the initial stages of the development of the scientific and technical revolution in connection with the need to create a more comprehensive network of the production and socio-economic infrastructure.

In the long run the economy of passive units of investments acts as one of the main factors of the increase of the effectiveness of accumulation and the investment process as a whole. Thus, in the United States in the period from 1950 to 1977 in connection with the renovation and reequipment of many enterprises the construction investments increased on the average by 2.3 percent a year, while the total amount of investments increased by 3.0 percent (Table 1). A decrease of the proportion of capital investments channeled into new construction--from 67.2 to 55.7 percent--was the result. Here the most significant saving of construction expenditures was achieved in the physical sphere of the economy. Thus, the proportion of new construction in the capital investments in industry decreased from 43.6 percent in 1950 to 34.9 percent in 1973, while in agriculture it decreased even more significantly: from 47.9 percent to 23.0 percent (see Table 6). The achievements of the scientific and technical revolution became most widespread precisely in these sectors. The slight worsening of the technological structure of the investments in industry in recent years is connected with the temporary halt of some construction projects and the lengthening of the term of construction during the initial period of the 1973-1975 slump. According to the available preliminary data, at present the technological structure of investments is approaching the parameters of 1973.

The high rates of scientific and technical progress in industry and agriculture led to the rapid obsolescence of the means of labor. New demands also began to be made on the conditions under which they had to operate. Therefore production buildings began to be built with the intention of ensuring the "flexibility" of the layout and the possibility of increasing the production capacities with the minimum expenditures on renovation. The tendency to build facilities from dismountable assembled components, which make it possible during renovation to carry out in a short time the dismantling or addition of entire blocks and sections and to adapt buildings more completely to the nature of the future processing method, intensified. The use of new, more advanced materials along with the development of industrial methods of construction made it possible to shorten substantially the construction period of new production capacities and to reduce their unit cost. But this in turn served as the main factor of the saving in the construction portion of investments. As a result, the average annual rates of increase of the investments in industry /as a whole/ /in boldface/ in 1950-1975 were approximately 1.5-fold higher than in construction. In the agricultural sector until the early 1970's even an absolute decrease of the amounts of construction activity occurred.

Table 6

Proportion of Construction Investments in the Gross Capital Investments in the U.S. Economy, Percent (Calculated in 1972 Prices)

	1950	1955	1960	1965	1970	1973	1975
Economy as a whole.	67.2	69.3	70.6	65.6	61.5	59.6	56.2
Including:							
agriculture	47.9	47.4	48.0	32.3	24.6	23.0	23.7
industry.	43.6	49.7	47.5	45.8	40.3	34.9	42.2
transportation and communications	53.7	68.1	69.8	61.9	65.6	55.6	46.3
services.	72.8	64.3	76.2	76.5	70.8	65.2	56.4
housing construction. . . .	91.7	94.2	95.2	87.1	86.5	88.2	89.3

Calculated according to: "Year Book of National Accounts Statistics 1976," New York, 1977, p 1162; New York, 1965, p 321; "National Income and Products Accounts 1929-1974."

The reduction of the proportion of construction costs in the capital investments in industry was not rectilinear. In the 1950's, when a substantial reorganization of the structure of the U.S. economy and the formation of new sectors were carried out under the influence of the scientific and technical revolution, the expenditures on the building of new enterprises increased slightly more rapidly than the expenditures on the renovation of operating enterprises. The stock of buildings and structures, which was accumulated during those years, made it possible subsequently to move on to the change of the technological structure of investments in favor of their active part.

In agriculture, on the contrary, the most intensive construction accumulation was carried out during the prewar and first postwar years. Then a period of the rapid reequipment of the sector began, and the proportion of construction investments decreased during 1950-1973 from 47.9 to 23.0 percent. However, by the early 1970's a "shortage" of construction investments began to be felt here: the stock of buildings had become significantly obsolete and began to check the development of production. In this connection a tendency for a slight increase of the rates and proportion of construction in this sphere has been noted in recent years.

The change in the reproduction structure of the passive portion of the fixed capital in favor of the proportion of the expenditures allocated for the modernization and renovation of operating enterprises may function as an important factor of the development of construction. In the case of renovation, in contrast to new construction, the construction period of new capacities and their unit cost are reduced substantially. A significant saving on construction costs is achieved in this way. The following data attest to such a change in the reproduction structure of investments in the United States. According to our estimates, in 1950 the proportion of the expenditures on recovering the cost of the passive portion of the fixed capital by modernization and renovation in the construction investments was 44 percent, in 1970--54.7 percent and in 1977--75 percent.[12]

Experience also shows that the improvement of the technological and reproduction structure of investments to a great extent is directly dependent on the organization of designing. Thus, in U.S. practice, as a rule, before a decision on the designing and construction of industrial and other projects is made, a detailed technical and economic evaluation of the planned measure and the selection of the optimum decision are made. This arrangement encompasses the gathering of technical and economic information on past construction experience (a data bank) and provides for multivariant designing and the economic substantiation of the various variants using economic-mathematical modeling and computers.

A comparatively debugged mechanism of calculations of the cost of construction, which governs the tendency of the cost estimates of the projects, which are proposed by the clients and the contracting firms, to converge, as well as the reduction to a minimum of the deviations of the actual cost from the estimated cost are another important condition of the improvement of the technological and reproduction structure of investments in the United States. This is achieved by the use of a system of indices, which takes into account the market fluctuations of the prices for construction materials and manpower; by flexible methods of monitoring the observance of the estimated cost in the process of construction on the part of the client; by strict norms of construction and budgetary legislation, as well as by contractual clauses with respect to the quality, period and cost of construction, which provide for a system of guarantees and sanctions; by the consideration of the degree of technical and economic risk in the construction process; by the availability of a special staff at the construction firms (budgetary engineers and others) for the continuous measurement of the deviations of the cost of construction from the financial estimate.
In order to take all the factors into account when calculating the cost of construction and for the maximum possible precision of the estimates when designing and implementing major investment programs the principle of their division into individual complexes and projects is used and mathematical-economic models and formulas, empirical methods, which are based on graphs

and nomograms, standard catalogs of cost quotations, cost sheets and so on are employed.

The briefly stated procedure and the methods of designing and estimates of the construction cost merit concrete study and a critical analysis and can be used in other countries with the appropriate corrections for the specific nature of their economic mechanism and form of government.

The Effectiveness of Construction Accumulation

The considerable saving, which was obtained in the sectors of physical production, and the increase on this basis of the effectiveness of accumulation, particularly construction accumulation, have become the most important factor of the redistribution of investments in favor of the nonphysical sphere of the economy and its outstripping development in the postwar period. On the basis of the data on the technological structure of investments it can be presumed that the nonphysical spheres of the economy only comparatively recently embarked on the extensive use of the achievements of scientific and technical progress.

At the same time at the boundary of the 1960's and 1970's there was also noted here a tendency to save construction expenditures in connection with the further increase of the proportion of equipment in the gross investments and with the improvement of design, architectural and construction decisions. In transportation and communications the proportion of construction costs in the investments decreased from 69.8 percent in 1960 to 46.3 percent in 1975 and in services from 76.2 to 56.4 percent.

The dynamics of the standard of construction accumulation can serve as evidence of a certain increase of the effectiveness of construction investments in the United States.[13]

In the postwar period the growth rates of the GDP (gross domestic product) of the United States exceeded the rates of increase of the amounts of new construction (on the average by 0.5 percentage point a year). This caused a decline of the standard of construction accumulation from 12.4 percent in 1950-1960 to 10.3 percent in 1961-1977 (see Table 7). If we bear in mind that the norm of gross accumulation[14] during that interval of time remained practically stable, it is reasonable to assume that this stability, given the relatively high growth rates of the GDP, was achieved by the increase of the effectiveness precisely of construction accumulation. In this connection the capital-output ratio of the increase of a unit of production[15] tended to decreased in the postwar period. In other words, each percent of increase of the GDP was achieved by relatively fewer expenditures on the passive units of the fixed capital.

As is evident from Table 7, on the sectorial level the picture was far from identical. In industry and especially in agriculture the norm of construction accumulation decreased considerably. But at the same time the growth rates of production in these sectors not only did not decline, but, on the contrary, increased significantly. It is obvious that the decrease of the investment outlays on new construction in the physical sphere of the economy, which made it possible to redistribute the capital investments in favor of their active portion, in many respects also governed the comparatively high growth rate of the economy during the period 1960-1973 (as a whole).

Table 7

Effectiveness of Construction Accumulation, Percent

	Norm of construction accumumlation		Average annual growth rate of GDP*		Capital-output ratio of construction accumulation	
	1950-1960	1961-1977	1950-1960	1961-1977	1950-1960	1961-1977
Economy as a whole. . . .	12.4	10.3	3.2	3.6	3.9	2.9
Including:						
agriculture.	10.2	6.5	0.9	1.6	11.4	4.1
industry	7.9	6.4	3.0	3.9	2.6	1.6
transportation and communications	15.6	12.1	4.1	3.3	3.8	3.7
trade and finance. . .	1.5	2.7	3.2	3.9	0.5	0.7
services	9.3	9.5	3.1	4.5	3.0	2.1
housing construction .	58.2	37.2	4.8	5.1	12.2	10.3

---

* As applied to the sectors, the average annual growth rate of the value added.

Calculated according to: "National Income and Product Accounts 1929-1974"; CURRENT SURVEY OF BUSINESS, July 1978, pp 26, 49.

An increase of the norm of construction accumulation was observed in the nonphysical sphere of the economy. Under the conditions of an increase of the growth rate of production of this sphere such an increase had the result that the output-capital ratio of the increase of production in transportation and communications remained stable, while in trade and finance it increased. However, in our opinion, this fact cannot be regarded as evidence of the ineffectiveness of the investment process in the nonphysical sphere.

Taking into account that the decrease of the output-capital ratio of social production yields the same result as the increase of the norm of accumulation (in the sense of the possibility of attracting additional investment resources), it is possible to regard the economy of construction investments as an important reserve for increasing the effectiveness of the entire process of accumulation and in the end the rates of economic growth.

During the period in question the influence of the factors of the shortening of the overall duration of the construction cycle and the increase of the effectiveness of construction accumulation and the investment process--factors governed by the progress of science and technology--increased substantially in the United States.

The analysis of the trends connected with the development of the construction complex and the investment process in this country makes it possible to assume that in the future a number of factors of the intensification of production in the processing industry, the tendency for production to be increased by means of the renovation and modernization of enterprises and the improvement of the technological structure of the fixed capital and capital investments and the use of more effective constructive decisions for the construction of buildings will have an effect primarily in the direction of the decrease of the output-capital ratio, the shortening of the construction cycle and the increase of the effectiveness of construction accumulation in both spheres of the American economy.

At the same time the integral traits of the capitalist economy, such as the unevenness of economic development, inflation, unemployment and many other factors, which as in a focus are reflected in construction, are decreasing the effectiveness in this major sector of the economy.

FOOTNOTES

1. Here the authors do not touch upon some questions connected with the selected theme, which have already been examined in the publications of L. S. Demidova, "Characteristic Features of the Investment Process in the U.S. Economy" (No 10 of our journal for 1977), and S. N. Solov'yev, "The Construction Industry" (No 4, 1974)--editorial note.

2. "Long-Term Perspectives and Policy in the Construction Sector," New York, 1976.

3. WORLD MINING, December 1975, pp 68-69.

4. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 9, 1977, p 26.

5. "Long-Term Perspectives and Policy in the Construction Sector," pp 31-32.

6. ENGINEERING NEWS RECORD, Vol 196, No 16, 1976, pp 62-63.

7. By this term U.S. construction statistics means all the types of expenditures, which are connected with the construction of buildings and structures, excluding the expenditures on capital repair, that is, investment outlays on the creation of the passive units of fixed capital. The concept "gross investments" encompasses along with construction expenditures also the expenditures on machinery and equipment and their installation. Thus, the term "construction investments" in its content coincides with the concept "new construction."

Here it must be borne in mind that U.S. statistics, unlike USSR statistics, includes the expenditures on renovation and the expansion of the fixed capital in the concept "new construction."

8. Calculated according to SURVEY OF CURRENT BUSINESS, July 1978, p 49.

9. Calculated according to "Construction Review" for the corresponding years.

10. A number of economists understand by the physical sphere the aggregate of sectors and types of labor activity on the creation and accumulation of the physical tools and means of production. The nonphysical sphere embraces the sectors and types of labor activity, in which primarily nonphysical forms of wealth are produced.

    Thus, the physical sphere is not identical to physical production. This latter term is usually understood as industry, agriculture, construction, trade, transportation and communications. Only the first three sectors are included in the physical sphere. Accordingly, the framework of the nonphysical sphere is broader than the nonproductive sphere, since education, health, various types of services and others are included in the nonphysical sphere.

    Given the certain conventionality of this division, it makes it possible to trace more completely the dynamics of the investment process with a breakdown by this theme.

11. "Osobennosti protsessa nakopleniya v ravitykh kapitalisticheskikh stran" /Peculiarities of the Accumulation Process in Developed Capitalist Countries/, Moscow, 1978, p 186.

12. Calculated according to: "National Income and Product Accounts 1929-1974," pp 164-165; SURVEY OF CURRENT BUSINESS, July 1978, p 48.

13. It is calculated by the authors as the ratio of the total construction investments to the gross domestic product or to the value added of the individual sectors of the economy.

14. This term is understood as the ratio of the gross capital investments to the total GDP.

15. This indicator is calculated as the ratio of the norm of construction accumulation to the growth rate of the GDP.

7807
CSO: 1803

THE TANGLE OF AMERICAN-IRANIAN PROBLEMS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 48-58

/Article by I. P. Belyayev/

/Text/ The tangle of American-Iranian problems, which is being discussed, written about and pondered over more and more anxiously throughout the world, is the outcome of the catastrophe which befell U.S. policy in Iran as a result of the popular, anti-imperialist revolution which took place in this most important country of the Middle East. The unprecedented aggravation of American-Iranian problems, which appeared especially strongly in November 1979, at first glance, in connection with the seizure of the U.S. Embassy in Tehran, affects a much broader group of questions than the fate of the American hostages, who were captured by the revolutionary students on the embassy grounds. The whole point is that, as is indicated in a TASS statement, "the revolution carried out by the Iranian people and their intention to oppose the imperialist policy of threats and dictation clearly go against the grain with Washington."

Let us make a short historical digression. Let me recall that the seizure of the U.S. Embassy in Tehran on 4 November 1979 was the second one. The first occurred on 14 February of the same year, that is, three days after the triumph of the armed uprising in Tehran, which began on the night of 9-10 February 1979 and became the prelude to the complete victory of the revolution. At that time, in February 1979 Ambassador Sullivan himself was among the American diplomats seized in the building of the U.S. Embassy in Tehran. In spite of this, President Carter did not hasten to make demands similar to those which he formulated in November. Sullivan in practice had turned over the embassy to the detachment of revolutionary forces, which had entered its grounds. Instead of the defense of diplomatic immunity and instead of protests the U.S. ambassador ordered a white flag to be hoisted over the embassy building.

I was in Tehran in February, and the first seizure of the U.S. embassy occurred, so to speak, before my eyes. I admit that at that time a question arose for me: Why was diplomatic immunity violated? Iranian colleagues reminded me that a few days prior to this sensational information was broadcast over Iranian television: a tunnel at least 1.5 km long was found in the city, and it led in the direction of the U.S. Embassy. As it was explained to us, the Iranian revolutionary detachment was commissioned to establish whether this suspicious tunnel began on the grounds of the American diplomatic representation. And it turned out that this was so.

The fact that the embassy of a foreign power should by virtue of certain conventions and protocols be loyal with respect to the country in which it is located, seems self-understood. For what purpose had an entry to a tunnel under the Iranian capital suddenly appeared on the grounds of the U.S. Embassy in Tehran? An answer suggests itself: the U.S. Embassy had itself grossly violated the generally accepted principles which regulate the activity of a diplomatic representation.

Is it not for that reason that a vigorous diplomatic demarche of the United States in face of the provisional government headed by M. Bazargan did not follow immediately after the seizure of the American Embassy? On its part the Bazargan Government, as later became clear, did everything to stifle the talk about the tunnel. As if no one had found the tunnel.

The following fact comes to mind. From 1973 to 1977 Richard Helms, former CIA director, served as U.S. Ambassador to Iran. He was discharged from the directorship of the CIA and was sent to Tehran following the sharp criticism directed toward the American "intelligence community." But Richard McHara Helms is not simply an arch-spy; he is, so to speak, a "master of tunnels." The idea of using similar "structures" for subversive purposes on the territory of other states belongs to him. It is well known that such a tunnel at one time was discovered on the territory--more correctly, under the territory--of one of the socialist countries, namely the GDR.

As was reported to me in Tehran, Helms was not only U.S. Ambassador to Iran, but also in fact an adviser to Shah Mohammad Reza Pahlavi on security questions. It turns out that the U.S. Ambassador, an official, contrary to long and firmly established international customs, at the same time as fulfilling his diplomatic duties was also in the service of the head of the government to which he was accredited. It is a case which in itself has no precedents in the history of international relations. But this did not disturb either the Shah or the ambassador. And what is more, when Mohammad Reza Pahlavi accompanied Helms, who was recalled from Tehran in connection with the Watergate scandal in which he was involved, he handed the departing Helms "for services rendered" a check for $1 million and appointed him "honorary ambassador of Iran" to the United States. This occurred in only 1976. In Tehran this all became widely known and aroused anger and rage among the people.

During the eventful days of the February armed uprising in Tehran, which led to the overthrow of the Shah's regime, it became clear that along with him his American friends and protectors also suffered a crushing defeat. At first glance this statement now sounds slightly banal. In fact, one of the characteristic features of the Iranian revolution was the integral combination of both the internal and external factors which determined its direction. The very strong popular movement in Iran, which led to the triumph of the revolution, was aimed not only against the Shah and the neocomprador establishment, but also against U.S. imperialism, which had propped up the Shah's regime with all its abominable results.

It should also be noted that the struggle against the Shah's regime at the same time was also aimed against Israel. And not at all because it was dictated by some emotional motives, as Israeli propaganda attempts to assert. It is all much more complicated. For nearly 20 years Israel helped to suppress the anti-Shah opposition. Now it is already well known that not only the CIA, but also the Israeli MOSAD trained the Shah's intelligence service SAVAK and its main personnel, who operated both within and outside the country. Diplomatic relations did not formally exist between Iran and Israel, the Israeli embassy in Tehran was called a "trade mission," but in practice this establishment was a branch of the Israeli secret services, which helped the Shah to maintain his command.

It seems that today, a year after the triumph of the Iranian revolution, it is not enough to assert that something reminiscent of a social storm took place in this country. It is necessary to emphasize that as a result of the revolution which took place the people rejected the model of the development in Iran of neocomprador capitalism, which was unacceptable to them and which the United States had tried to impose on them for the past quarter of a century. The Shah and his American protectors complemented one another.

Given all the features of the Iranian revolution, its anti-imperialist nature is obvious. Moreover. both internally and externally. In this lies one of the most characteristic features of what is happening in Iran.

In the early 1950's in the political life of Iran, which at that time was under considerable influence from England, and if we are to speak more precisely, under the protection of the Anglo-Iranian Oil Company (AIOC), the National Front began to play a dominant role. Its leader, Doctor Mossadegh, a bourgeois liberal nationalist, considered the elimination of English domination in Iran the goal of his life. And it must be said that he succeeded at this. On 8 March 1953 he pushed through the Majlis a law on the nationalization of the AIOC and thereby raised a hand against foreign domination in the country. But this meant that the popular Iranian political figure had also encroached on U.S. influence in Iran, which was increasing at that time, which quickly caused Washington to shift to counteractions.

The popularity of Mossadegh and the National Front headed by him, which increased unusually rapidly in the country and throughout the world, worried the Shah more and more. Mohammad Reza Pahlavi understood that the monarchy in Iran would hardly survive, if the policy of nationalizing the Iranian oil industry and the unprecedented increase of nationalism, be it even of a bourgeois persuasion, were to triumph. And the Shah along with the troops devoted to him began preparing in fact for a coup d'etat. For this purpose conferences of the officers and generals, who intended to oust Mossadegh and to repeal the reforms carried out by him, were held under the aegis of the Imperial Guards.

Mossadegh found out about the coup which was being readied, and under the threat of being exposed the Shah fled Iran first to Bagdad, and then to Rome. But at critical moments of history delay may mean death, yet Mossadegh took a long time with pushing through the Majlis a law on the abolition of the monarchy. Some of his supporters even believed that the banished Shah nevertheless would never return to Tehran. They were terribly mistaken.

The point is that in the early 1950's the Americans launched their activity in Iran. President H. Truman issued instructions to devote priority attention to this country of the Middle East. Iran is the most important source of oil according to its potentials, and the "black gold" was to play an important role not only in the American economy, but also in the entire world capitalist economy. Back at that time Washington was already worried about how the oil problems during the second half of the century would take shape. And the strategic decision on the shift of the leading countries of the West to foreign sources of oil while conserving their own sources was made at that time. The plan worked out by the American military called for the creation of strategic reserves of "black gold" "just in case."

From Truman's point of view, Iran was of special value to the United States also because it bordered on the Soviet Union. Not without reason was General Bedell Smith, U.S. ambassador to Moscow during those year, especially interested in Moscow's attitude toward its southern neighbor.

D. Eisenhower, who took over the U.S. presidency from H. Truman, followed the same line with respect to Iran. It was under him that the Central Intelligence Agency was drawn for the first time into the grand policy of the United States in the Near and Middle East. It also helped to prepare and carry out the anti-Mossadegh coup d'etat in Iran in August 1953.

Recently Kermit Roosevelt, former chief of the Near East bureau of the CIA, disclosed to the world that this institution planned Operation (Ayaks), as it was abritrarily called, back during the first months of the Truman Presidency, but the leaders of the American secret services hid it from the Democratic administration, which, as was believed in the CIA, did not want open confrontation with Mossadegh. D. Eisenhower was informed about this operation beforehand. The plan of Operation (Ayaks) was approved by Secretary of State J. F. Dulles. The blessing of the head of the American foreign policy department was given to what began to happen in Tehran in the second half of August 1953. From his point of view Iran was also a raw material base for supplying the United States with oil, a strategic site for the launching of Washington's offensive in the countries of the Near and Middle East and, finally, the ideal springboard for operations against the Soviet Union. Such were the stakes of the United States in the game which had begun.

In August 1953 there were 3,000 American military advisers in the Iranian Army. They had assumed the role of the "rescuers" of the Shah. A CIA team headed by K. Roosevelt, which came specially to Tehran, began immediately to carry out the plot. Bands of supporters of the Shah were formed with the assistance of Iranian officers, who acted in concert with the CIA, and criminals released from Tehran's prisons. First of all they seized the radio station in Tehran, via which the false report was broadcast that the Shah had returned to Iran and the government of the National Front had been overthrown.

It was no accident that the CIA agents insisted on the release of criminals from the prisons. Those who wanted to provoke disorders and to nominate a candidate for dictator always turned to the declasse elements for help. And, having received "royalties" in cash in advance, they acted while using the money freely.

On 19 August General Zahedi, who had sought refuge in one of Tehran's mosques from arrest, an order for which was issued by Mossadegh's government, suddenly quit his refuge. CIA agents delivered him to the General Headquarters of the Iranian Army, where, having produced from the pocket of his tunic the Shah's firman on his appointment as prime minister of Iran, he announced the dissolution of Mossadegh's cabinet. At the same time an Iranian tank, which was driven by one of the American military advisers, drove up to the residence of the legal prime minister and opened fire on it. The head of the Iranian Government miraculously escaped, having jumped from a window in his pajamas, but did not escape arrest. Mossadegh was seized, thrown into prison, and then eliminated.

General Zahedi established a violent dictatorship in Iran. The new military dictator of Iran first of all inflicted reprisals on the leftist forces of the country. For these "feats," I was told in Tehran, General Zahedi received $2 million from the Shah, who returned to the capital three days after the coup.

Mohammad Reza Pahlavi showed his appreciation to his American benefactors: in the spring of 1959 he signed with the United States an agreement on the "mutual defense" of Iran. Both before and after this many other treaties and agreements between both countries were signed, but the 1959 agreement nevertheless remained the main one. On its basis the Americans obtained the right to have on Iranian territory their own "military real estate"--bases, airfields, strategic roads, a dense network of stations for listening to and observing the Soviet Union. That is when Washington's designs to use Iran against our country began to be implemented.

Iran also became a base of similar operations against Nasser's Egypt, Iraq, Syria and all the Arab peoples who opposed the imperialist powers.

According to the 1959 agreement, the United States acquired the absolute right to use its "military real estate" in Iran without supervision. Of course, only "in case of need." But the same Pentagon or CIA determined the existence of such a "need."

I am anticipating a little so that the reader would get an idea of the situation which had been created in Iran on the eve of the triumph of the 1979 revolution. I arrived in Tehran on 7 February, that is, three days before the start of the armed uprising at the Farahabad Garrison. The plane of the Swiss airline, on which I arrived from Beirut, taxied slowly over the landing strip. A strange picture appeared before the astounded gazes of the passengers, who clung to the windows. The right-hand side of the airfield of Mehrabad Airport was absolutely empty. The pilot of our plane had landed the heavy craft at his own risk. The workers of the airport and all its services were on strike in support of the revolution.

In turn the left-hand side of the airfield looked different. Warplanes and transports of the U.S. Air Force stood there, pressed against each other. The same kinds of planes, but with the identification marks of the Iranian Air Force, were crowded together alongside. As it turned out, the completely autonomous services of the American part of the airport were located in the structures hidden behind the masses of American planes. However, the U.S. presence at the airport was not limited to them. As was found out later, branches of the Pentagon, the CIA and other U.S. secret services were located at Mehrabad. The ground and traffic control service of this part of the airport operated under American jurisdiction, that is, it was not subordinate to the Iranian authorities. The latter did not know when, from where, where to and with what cargo on board the American military and civilian aircraft, which operated automonously in Tehran airspace, were arriving and departing.

The Pentagon laid out before the Shah all its arsenals, including the most supersecret arsenals. The United States sold to him any arms in any amount--military equipment, electronic equipment, fighter-bombers, heavy helicopters, missiles and ground equipment to service the air force. It sold them not only because the Shah paid punctually. It was kept in mind that "in case of need" the United States itself would be able to use the American arms in Iran, if it had to establish its military power in the region of the Middle East. Let us note: on the borders of the Soviet Union!

In 1963 the Shah presented the American with another "imperial gift," deeply offending the Iranian people. He imposed on Iran a law, according to which all Americans, including U.S. military advisers in the Iranian Army, began to enjoy diplomatic immunity. By virtue of this many of them, who were not at all concerned with the diplomatic service, had diplomatic passports and the conventions concerning diplomatic immunity were applied to them. The Iranian courts could not try Americans. In the 19th century the granting of such rights to a foreign power was called a regime of capitulation. Such a regime, for example, was imposed by England during the last century on Egypt after British soldiers occupied that country. In Iran the United States received the regime of capitulation without particular efforts. The Shah guaranteed it to the United States.

Mohammad Reza Pahlavi laid in more and more American arms. Especially when Iran's revenues increased after the fourfold increase of the prices for oil. The Shah spent an astronomical amount--$37 billion--to pay for the arms deliveries to Iran and to pay for the services of American advisers for the Iranian Army. As a result, the arrogance of the Iranian monarch rose literally like yeast. Mohammad Reza Pahlavi declared publicly that he had assumed the role of "policeman" in the Persian Gulf, "gendarme" in the Near East, a "restraining force" in Asia and Africa and even a "shield" against the Soviet Union. When the absurdity of his excessive ambitions and the danger of the vast schemes were pointed out to him, he merely shrugged his shoulders and continued to rush toward the brink.

Having acquired in 1959 an agreement on "mutual defense" with Iran, which guaranteed the United States "special" rights in this country, the Pentagon set about reorganizing the Iranian Army. This "reorganization," if it may be called that, had the aim to obtain, as a result of carrying it out, its "own" army on the borders with the Soviet Union and in case of need to place it at the service of the far-reaching plans of the United States. In Tehran the number of American military advisers multiplied. Again I am anticipating, citing just one figure: according to data published in the press, in 1978 along with other Americans employed in the military sphere they numbered not less than 25,000. In Esfahan alone about 6,000 U.S. technical specialists, who did not wear uniforms, but in practice the same military advisers, were engaged in the assmbling of heavy military helicopters. It was noted that by 1985 the number of American military advisers in Iran would at least triple.

As years passed in appearance the Iranian servicemen resembled more and more the soldiers, sergeants and officers of the U.S. Army. Do not consider this detail, reader, to have no bearing on the matter. It seems to me to be important in order to understand the present situation in Iran. The Pentagon attempted not only to hammer the American strategic doctrine into the heads of the Iranian generals, colonels, intermediate and junior officers, but also to instill in them the adoration of its own fetishes and first of all the American uniform.

Mohammad Reza Pahlavi intentionally and firmly kept the Iranian Army away from the people, which also was a part of the Pentagon's plans. First of all by enormous salaries and special increments to the pay of generals and senior officers. A villa with a car and servants became an indispensable attribute of the existence of a colonel. Every general had a bank account, the right to transmit money abroad and to invest it in any business in Iran. Thus, General Ovajssi, who left the country in January 1979 "as a sign of protest" against the policy of "reconciliation with the street," first transferred to the United States $17.5 million.

Mohammad Reza Pahlavi personally selected the cadets for all officer schools. Every pilot underwent a special check before the monarch gave his "okay" to his enlistment in the Air Force. Personal devotion and a world outlook in the spirit of the military philosophy of the Pentagon--these are the criteria which played a role in deciding the question, who would be and who would not be an officer in Iran. Other criteria were not taken into account. The Iranian Army was considered the main buttress of the throne and American presence in the country. A typical combination, is it not? Without U.S. support in Iran the existence of the monarchy was inconceivable.

What was the Pentagon able to create in the barracks of the Iranian Army? Prior to 11 February 1979, that is, prior to the issuing of the order of Chief of Staff of the Imperial Ground Forces General Karabagi on the withdrawal of the soldiers to the barracks and the declaring of the army to be "outside politics," and in practice the disintegration of the army regiments and garrisons, the size of the army and the guards had reached 285,000 men, plus 100,000 military pilots and ground service personnel of the air force, plus 70,000 personnel of the police and several tens of thousands of soldiers and officers of the special units. In all up to 500,000 soldiers and officers were at the disposal of the Shah's generals and American military advisers.

The Imperial Guards--the most privileged arm in Iran--were made up of 15,000 men. Whereas the army generals were well off, the senior officers of the Guards lived even better. Mohammad Reza Pahlavi spoke with particular delight about the "Javidans"--the brigade of "immortals." It had at its disposal ultramodern American arms, English tanks, heavy helicopters and American missiles. The Guards guarded the Shah's palaces and watched the highest generals and the entire army officer corps. As with all professional soldiers, the United States was the idol of the "Javidans."

The Shah presumed that the special status in society, which he guaranteed to the Iranian soldiers, was the best means of consolidating the monarchy in Iran.

The saturation of the army and the Imperial Guards with arms and advisers from the United States was conducive to the rapid development of Iranian militarism, which was terrifying in its social basis and antinational in essence. It became the most important component of the neocomprador establishment, which the Americans forced upon this country.

Iranian militarism cost the people of the country unusually dearly. The Shah devoted to the military more than 40 percent of the state budget. Imagine with what ease the money belonging to the Iranian people was spent by soldiers in Americanized uniforms. In Iran there were 1,300 generals. This was at the very time when agriculture was literally wilting, while the economy of the country needed a modern infrastructure. Instead of surfaced roads or communications departments newer and newer military garrisons appeared in the provinces of Iran, besides in the capital. Stationed behind high fences, the units of the army and the Guards were pitted against their own people. Martial-Law Governor of Tehran General Mehdi Rahimi, who was one of the first to be shot after the triumph of the revolution, said: "We would be better off to leave in the capital some 200 residents who support the Shah than to let the communists establish power in Iran!" All the cruelty of the overthrown regime is reflected in these cynical words of the Shah's general.

In the early 1960's the American friends of the Shah gave him an incentive for a "white revolution." The people, who dealt with the formulation of American policy both in Washington and in Tehran--professional diplomats, economists, sociologists--presumed that the "modernization" of Iran, as they called the Shah's reforms, would be the most reliable guarantee of the subordination of this country to the United States. The gist of the matter reduced to the creation of reliable conditions for keeping the Iranian economy and, hence, the ruling elite in the service of U.S. interests in the Near East. It was intended that with time the anti-Sovietism of the Shah and his policy would begin to increase, in spite of the commitments made by him "to be restrained." The United States was impatient to create on our southern borders a permanent center of political and military pressure, in order to use it in its global and regional interests. The "Iranian doctrine" of Washington boiled down to this.

After returning from Iran in March 1979 I attempted to find some American documentary evidence of the policy of the U.S. administration with respect to the Shah and his regime. What a surprise it was for me when I was unable to find literally anything on this score in the memoirs of former President R. Nixon, who is considered the creator of the "Iranian doctrine," in books on H. Kissinger, the Secretary of State under two presidents--R. Nixon and G. Ford, in the statements of H. Kissinger himself or in the foreign policy documents, which passed through his hands and were made public. An opinion about Mohammad Reza Pahlavi, which, in my opinion, merits attention, is contained only in the recently published memoirs of H. Kissinger. Here it is:

"History is written by the victors. The Shah is not particularly popular today. You would greatly risk your reputation by opposing the chorus of shouters who are speaking out against the leader whom eight U.S. presidents, who belong to both parties, proclaimed--and justly so--a friend of our country and the bastion of stability in a very stormy region of the world....

"The Shah was, in spite of any distorting myths, a true reformer. He was progressive in everything that concerned his attempt to industrialize his country. One of the real reasons for the catastrophe which befell him was the fact that he modernized Iran too rapidly, without adapting his political institutions appropriately and effectively to the economic and social changes which occurred in the country during the implementation of his policy."

In the quoted note of H. Kissinger there are assumptions about which I would like to note that they do not correspond in the least to the actual state of affairs in prerevolutionary Iran. The reforms of the Shah, including the land reform, like the notorious "modernization," from the very start were an integral part of his policy, which was dictated by the neocolonialist interests of the United States.

Anyone who has carefully followed the policy of the Shah and the United States will not object to the assertion that the actions of Mohammad Reza Pahlavi and the American administration are two sides of the same coin. The name of this coin is American neocolonialism. Precisely it gave rise in Iran to neocomprador capitalism with its antinational policy. The latter was advantageous both for the Shah and the Iranian neocompradors and for U.S. imperialist circles, which intended to use Iran for their own purposes at least until the end of the 20th century as a main base in the Near and Middle East.

Whereas under the conditions of the old colonialism the figure of the comprador, that is, the local buyer or capitalist commission agent, the banker commission agent, who served the needs of imperialist circles, was of not little importance in the colonial and dependent states, during the modern age of neocolonialism the situation has changed. The old comprador first grew weak and then ceased to exist. The national capitalists of the countries of Asia and Africa, who placed on the agenda the question of political independence and a change in the procedure of economic contact between the mother countries and the same dependent countries, arose on their bones. The British and French colonial empires collapsed, the entire world colonial system of imperialism sank into oblivion, new conditions arose. By the time the Shah returned to Tehran in August 1953, that is, before the start of the "American age" in Iran, the United States had few of "its own people" in the country. In the 1960's the efforts of Washington were aimed at the creation of a stratum of Iranian neocompradors who were ready to promote by all their activity the consolidation of the Shah's regime, but with the indispensable condition that his policy never come into conflict with the aspirations of Washington.

The "friends" from the United States encouraged the "business" inclinations of the Shah in every possible way. As a result Mohammad Reza Pahlavi, who took payment from anyone in Iran who wanted to engage in any activity in industry and trade, fantastically multiplied his personal wealth. In Tehran I was told that not only prominent businessmen, who had opened companies, but also the owners of shady establishments, including underground bars and brothels, remitted to the Shah amounts for his current accounts in Swiss and American banks. To say nothing about the incredibly rich commission agents who engaged in carving out contracts for the delivery of arms and military equipment. Anyone in Iran, who built a new hotel, a supermarket or a fashionable shop, was obligated to "share" with the monarch.

As a result the wealth of Mohammad Reza Pahlavi swelled to fantastic figures. Whereas in 1978 the personal fortune of the Shah was estimated at "only" $18 million, in late 1978, that is, on the eve of his flight from Iran, it was now estimated in the amount of many billions of dollars. The leaders of the Iranian revolution, who have emphasized in their statements that the overthrown Shah appropriated the people's money, that his wealth is the direct result of the robbery of the country, including its "black gold," are right. It was proven, in particular, that $2 billion "suddenly" disappeared from the funds of the Iranian National Oil Company. The tracks led to the notorious Pahlavi Foundation--a screen, under the cover of which the Shah engaged in predatory activity.

In Washington many people, among them the mentioned H. Kissinger, were thoroughly convinced that the integral merging of the personal interests of the former Iranian Shah with American interests, after his money ended up in American banks, was another guarantee that the United States could do with Iran as it saw fit.

What did the "reforms" of Mohammad Reza Pahlavi develop into?

Let me remind you that in the Iranian countryside for a quite generous redemption fee the landowners gave up a portion of their lands to the landless peasants. In both Iran and the United States they talked a lot at that time about the "disinterestedness" of the Shah, his "foresight" and so forth. In fact the picture was different. Only 10 percent of the peasants received allotments. However, they were never supplied with water, seed and implements to work the crops. As a result the new "landowners" were not able to work the received plots; the Shah's "reform" completely ruined them. They had to sell themselves into bondage to usurers and the same landowners and to seek new sources of existence. The peasant, to whom the Shah did a "great favor," fled the countryside. And was forced to sell for a song the land he had just received. To whom? Once again to the landowners and the wealthy peasants. Yesterday's peasants crowded Tehran, Esfahan, Tabriz and other large cities. The construction and industrial boom, which had commenced, required cheap labor. The large cities received it, but at what a price! The Iranian countryside was left without workers, agricultural production began to languish, the production of the most important food products decreased sharply--in the part 10-15 years by at least half, if not more.

In Iran "modernization" of an unprecedented scale was picking up speed, American newspapers wrote. According to the claim of some western economists, Iran had been transformed into a developed capitalist state. But this was a lie. Indeed, hundreds of industrial enterprises had been built in Iran. But only at the level of assembly shops. In Tehran the streets were crowded with hundreds of thousands of cars. But all the most important subassemblies of the vehicles assembled in Iran came from the United States, England, France and other countries of Western Europe. During the years of rule of the Shah not one industrial enterprise for the production of means of production was built in the country. What are they needed for, the Shah reasoned: if there are not enough machine tools, they can be bought abroad.

The harsh reality was that along with imported foodstuffs, machine tools and machinery the inflation, which was raging in the United States and Western Europe, was imported to Iran. Being suited for the plundering of the wealth of the country by the largest multinational American and West European monopolies and banks, Iran was subject to the destructive effect of all the defects of the capitalist system. Moreover, in connection with the importation of even small articles which are necessary in everyday life, it became unprofitable to produce locally the same small articles which the Iranians had produced themselves in the past.

Thus the "reforms" and "modernization," which were inspired by the Americans, struck first of all the workers, and at the same time the middle social strata.

The fact that as a result of the economic policy of the former Shah parasitic capitalism and capitalist parasites emerged in the country, was a truly catastrophic phenomenon for Iran. They fiercely carved out contracts and agreements, which were profitable for American and West European firms, amassing enormous amounts of money from this. At the same time they began to carve out a large number of projects, which were brought about by the ambitions for prestige of the same Shah who had promised to raise Iran in a very short time to the level of Sweden and the FRG. For this a vast amount of industrial equipment was purchased, although there were no engineers, technicians and skilled workers locally. Just as, incidentally, there were no modern ports, a system of surfaced roads and a communications system. From Tehran one can easily place a telephone call to Chicago, but not to Meshed or another large city within the country.

Reasonable economists both in Iran and abroad warned that this "modernization" was a "forgery," an ersatz reform. But the Americans, whose efforts boiled down to not having processes begin in Iran, which could threaten U.S. interests, were not in the mood for sober assessments of what had happened.

The metallurgical combine in Esfahan and the machine tool plant in Arak, which were built with aid and technical assistance from the Soviet Union, were an exception. Some people among those surrounding the Shah even proposed to curtail Iranian-Soviet cooperation as soon as possible, since it was unprofitable! For it did not yield the commissions on which the parasites, who swarmed around various American and West European companies and firms, lived.

It is noteworthy that the parasitizing Iranian bourgeoisie, while thriving on robbing the people and obtaining incredible profits from their own transactions, did not invest capital in the economy of their own country, but transferred abroad the money which was earned unscrupulously. The fate of the Iranian economy made no different at all to them, which especially suited the Americans, who vigorously encouraged the investments of Iranian businessmen in U.S. securities and enterprises.

These businessmen did not give a damn for Iran and its people. Their intentions reduced to building a villa in Northern Tehran and a country house on the Caspian shore, to acquiring a Mercedes or a Cadillac, to living and enjoying themselves just like their partners from the United States and Western Europe. But none of them ever took a look a Southern Tehran, where the poor lived, but the very appearance of the enormous urban region spoke of the perpetual poverty of its inhabitants.

The Iranian monarch and his friends from the United States were thoroughly convinced that along with the army the ramified security service would serve as the most reliable buttress of the regime. I would not be exaggerating if I said that any observer of what is happening in the Middle East knows its shortened name—SAVAK. For all Iranians without exception this word carried the breath of the tomb-like dampness of prison cells, tortures in dungeons and secret apartments, indispensable shadowing at public places, the opening and inspection of letters, listening in on telephone conversations, the persecution of dissidents throughout the country and even when they were able to escape abroad. The Americans helped to set up the Shah's security service. The United States stood by its cradle. The struggle against the Iranian people was the all-consuming idea of SAVAK. The Shah's security service was anti-people and antinational in all its manifestations. SAVAK served the Shah, and to a great extent the Americans, who willingly used its services, which was also one of the distinctive traits of the regime which existed in Iran after August 1953.

Suffice it to recall what has happened in Iran during the past quarter of a century, how much becomes clear without further elaborations. The signing of the "mutual defense" treaty with the United States took place six years after the Shah returned to Tehran. A year before that, on the advice of the Americans, Mohammad Reza Pahlavi signed a ukase on the creation of SAVAK. The terrifying service was given different names--the secret police department, the secret political police, the torture chamber. But perhaps the term "the Shah's gestapo" was the most accurate.

How do you give an idea of the violence of the SAVAK executioners? I will cite one figure from the pages of the Iranian press: in the 20 years which have passed since the creation of SAVAK, not less than 380,000 people have been hung, shot, buried alive and tortured in the prisons! I heard this figure more than once in Tehran from Iranians of the most diverse social and official status. Foreign diplomats who had served in Iran also cited it to me. They all agreed that this figure was more or less correct. Frankly speaking, at first it was hard to believe it. After visiting just such a terrifying prison as the Evin prison was under the Shah, you begin to wonder whether it was not understated. A precise figure of the victims has not yet been given.

With the assistance of SAVAK the Shah and the Americans aimed their main blow against the Iranian democrats, particularly all the leftist and national forces of the country.

The anti-Shah bourgeois and clerical opposition also did not avoid a tragic fate. Beginning with the supporters of Mossadegh and his National Front and ending with the archconservative organizations and groups, on whose part the Shah at times heard words of criticism for the fact that the monarch had concentrated too much power in his own hands and did not want to share it with the conservatives. No, they were not opponents of the monarchy, shakers of the foundations, Allah forbid! But it seemed to them that the incautious orientation of Iran toward the United States and the appearance in the country of an enormous number of American advisers would lead to a catastrophe.

Resistance grew slowly, but steadily among the people. But then the resistance and the discontent, which burst out, caused an increase of the brutalities. Iran was in a vicious circle.

The anger of the broad masses had accumulated over the years and turned into a storm against those who directed the antinational, anti-Iranian policy. But the Shah, his American protectors and the Iranian neocompradors, looking around at the army and SAVAK, were thoroughly convinced that fear was a reliable bridle for the anti-Shah, anti-American opposition. So it continued, until in early 1979 all the Iranian people were roused to the struggle. The struggle turned its spearhead against the two-in-one enemy--the Shah with his accomplices and American imperialism.

7807
CSO: 1803

EARLY START OF THE ELECTION CAMPAIGN

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 59-64

/Article by V. A. Saval'yev/

/Text/ The election campaign in the United States of America began this time earlier than ever before. The very first candidate officially declared his intention to campaign for election to the presidency more than two years before the election. This was Republican Congressman P. Crane. On his campaign buttons along with the inscription "Crane for President" the addition "The Early Bird..." stood out vividly.

In November 1980, in addition to the president, the entire body of the House of Representatives, 34 Senators, the governors of 13 states and the members of the legislatures of a number of states are also running for reelection.

By mid-1979 68 candidates for president, including politicians of the most different caliber, had already been recognized by the U.S. Federal Election Commission as people able to seek nomination. They included 26 Republicans, 15 Democrats, 2 Libertarians, 1 labor union representative and 24 independents (or supporters of minor parties).

Although the best known political "heavyweights" (President J. Carter, Senators E. Kennedy and H. Baker, former governor R. Reagan) were in no hurry with official statements on their intention to campaign for the seat in the White House, now the election campaign has already achieved a certain tension.

What are the features of the current election campaign? If we take its foreign policy aspect, here the sharp struggle between the advocates of positive progress in international relations and the supporters of the Cold War first of all attracts attention. The subsequent domestic and foreign policy line of the United States will depend to a considerable extent on the distribution of forces in this struggle. It is also important that the traditional political maneuvers of the potential presidential candidates have already begun, and under present conditions this also seriously affects questions of foreign policy.

American experts draw attention to the fact that during the election campaign the use of the "fear factor" can serve as a very effective instrument for achieving success; appealing to the emotions of the voters, who are frightened by the increase of economic difficulties and the rapid development of events on the international arena in a direction unfavorable for Washington, the "strong" candidates count on attracting voters to their side by promising "to find a way out of the tunnel." Some of the candidates clearly intend even to intensify the atmosphere of fear by resorting, in particular, to reliance on the exaggeration of the myth of a "Soviet threat." Obviously, the lessons of the recent past, that is, the 1976 election campaign, have done no good. At that time a significant role in the defeat of Republican G. Ford was played by his inconsistency in matters of foreign policy. Under the pressure of the right wing of his party G. Ford sacrificed to election rhetoric such serious achievements of the Republican adminsitration as participation in the policy of detente and the signing of the Final Act of the Helsinki Conference. At that time Ford even rejected the term "detente," replacing it with the ambiguous formula "peace through strength"; he raised the U.S. defense budget to a record level, shelved the draft of a long-term agreement between the USSR and the United States on the further limitation of strategic offensive arms on the basis of the Vladivostok Agreement, which had been agreed on in general outline, and so forth. What of it? The "hardening" of the tone of G. Ford's election speeches, contrary to expectations, led not to victory, but defeat.

Today the obvious lack of realism is typical of the potential candidates of both the Democratic and the Republican parties.[1] Moreover, the conservative domestic policy of the present Democratic administration, which is very close to the traditional principles of the Republicans (the decrease of spending on social programs, the increase of the defense budget, priority attention to controlling inflation to the detriment of the combating of unemployment and so forth), is not enabling the latter to criticize in any serious way the domestic policy line of the Democrats. It is not by chance that some American commentators call J. Carter "a Democratic president who is pursuing the domestic policy of the Republicans." In this situation the Republicans are operating according to a principle which in the United States long ago had already become canonical for the election campaigns and is expressed by the formula "We Too" (in this case politicians claim that they will pursue the same policy, but considerably more effectively).

Thus, they note that their differences with the Democratic administration concern not the ways of solving the problems, but the "measures of resolve" necessary for this, their willingness to resort to more radical means. Former CIA Director G. Bush, who long ago announced his intention to campaign for the presidential nomination, in particular, stated that his anti-inflation program does not differ from the one "which Carter, in his own words, is pursuing." Another Republican candidate, J. Connally, emphasizing the desirability of a 5-percent reduction of federal spending and the passage of a constitutional amendment on a balanced government budget, adds that this "does not prevent me from applauding" the decision of J. Carter to increase defense spending.

The list of prominent politicians, who are potential presidential candidates from the Republican Party, back in 1979 came to more than 10--and is continuing to increase. Here (apart from those already mentioned) there are former governor of Texas J. Connally, who in May 1973 switched from the Democratic to the Republican Party, former governor of California R. Reagan and the current governors: J. Thompson of Illinois, R. Ray of Iowa and W. Milliken of Michigan, Senators R. Dole, H. Baker, C. Percy and R. Schweiker, Congressmen J. Anderson, J. Kemp and others. Nearly all of them (with the exception of such relatively liberal-thinking people as C. Percy or J. Anderson) to one extent or another are trying to amass political capital by the demonstration of their "hard line" with respect to the USSR, striving to outdo the policy of the Democratic administration on this level.

During the discussion of the SALT II Treaty Senate Republican Minority Leader H. Baker came out as an open opponent of it. He is comparatively little known by broad groups of voters, but in turn holds a position which makes him in essense figure number one in the official Republican hierarchy. H. Baker has acted for a long time now as a very jealous defender of the so-called "tying" of aspects of American-Soviet relations, which are of completely different levels. The advocates of "tying," in particular, would like the Soviet Union to refuse to support the national liberation movements and to agree to the interference of the U.S. Congress in its domestic affairs; then, they say, the United States will "also" show more good will, for example, with respect to the future limitation of strategic arms, trade with the USSR and others.

In spite of the abundance of candidates, who have already declared their willingness to stand for election to the presidency from the Republican Party, the question, who will be officially nominated by the party as the Republican candidate, has still far from been resolved. It is expected that in the near future a number of other figures will enter the race.

The situation of the Democratic Party during the election campaign and correspondingly of its possible presidential candidates is more advantageous as compared with the Republicans. First of all the commanding heights in the White House and on Capitol Hill and in the legislatures of the majority of states and the majority of governorships belong to them. As the recent 1978 off-year election showed, the Democratic Party enjoys the support of the majority of the voting electorate (57 percent as against 43 percent of the votes cast for Republicans in the elections for the U.S. House of Representatives). And the primary support of Democrats by the representatives of various minorities is especially noticeable: for example, 83 percent of the black Americans, 66 percent of the Catholics, 62 percent of the young people 18-29 years old and so forth voted for them. Public opinion polls also attest that the majority of voters prefer the Democrats. All this, however, does not automatically bring victories in the elections. Moreover, the position of the Democratic Party is being complicated as a result of the recently noted erosion of the bases of the two-party system: the increase of the proportion of "independent" voters is continuing, the mass coalitional base of the Democrats, which was formed back in the 1930's (ethnic minorities, union members, poor Americans and so on), is showing threatening signs of cracking. The combination of the economic slump with a high level of inflation is undermining the faith in the ability of the Democratic Party to deal with the difficulties which have arisen. The years of government by the Democrats and their unfulfilled promises have given rise to disenchantment among the voters.

The organizational reforms in the Democratic Party, just as some new U.S. laws, which were adopted or passed in recent years, are imparting a certain novelty to the election struggle. This concerns primarily the increased role of the primary elections in determining the choice of the party, who then enters the campaign for the White House. In 1968 Vice President H. Humphrey was nominated the Democratic presidential candidate after a four-month "sprint" campaign, during which he did not take part in the most important primaries; at that time the support of the party leadership and the willingness of the monopolies and other "donors" to immediately make large financial contributions to the Democratic election fund decided the outcome of the matter. Today such "sprints" have been complicated as a result of the increased importance of the primaries, the imposition of limits on "individual contributions" to election funds and the passage of a law (after the Watergate scandal) on government financing of presidential election campaigns.

Hence the unusually early start of the election campaign. In practice the election committees for the presidential nomination of the three main candidates among the Democrats--President J. Carter, Senator E. Kennedy and Governor E. Brown--have been at work since early 1979, although each of them put off the announcement of their decision to campaign for the presidential nomination until a later date than the other candidates: E. Kennedy and E. Brown official declared this in November, while J. Carter did in December. Nevertheless, long before this the collection of money in the election funds was already under way, trips were made through the country clearly for campaign purposes, advertising manipulations were stepped up for the purpose of creating an attractive political and moral "image" of the corresponding figure.

Among the Democrats the party leader--President J. Carter--is now considered candidate number one. Political influence, the support of party functionaries and the extensive coverage of his activity by the mass media, that is, constant free advertising, are at his service. However, the President's positions are not considered strong enough even among his party colleagues.

The speech of U.S. President J. Carter on American television on 4 January had an obvious campaign hue. It roused the passions of those circles in the United States, which for a long time did not like the policy of detente. It was reminiscent not of a speech of the person holding the highest government position in the United States, but first of all of a candidate for this post, who was speaking in the next round of the election struggle.

American commentators attribute to the things which are relatively advantageous for J. Carter the fact that he inspires the respect of the center of the political spectrum, as well as his moral and ethical aims, which are being extensively promoted. The notions about their "spotlessness," however, have been shaken somewhat by a number of scandals in Washington, beginning with the case of B. Lance (a banker from Georgia, who was nominated by Carter to a high government position, which he had to leave as a result of accusations of financial machinations, which he undertook earlier) and ending with the recent press reports about the use of narcotics by one or two White House staff members, the responsibility for whose selection rests personally on the President.

Not so much the assets as the weaknesses of J. Carter, especially the consequences of the economic policy of his administration (the aggravation of inflation, the threat of a recession, unemployment, difficulties in the field of energy, the decrease of appropriations for social needs), are being discussed considerably more extensively in the United States. Although these problems are of a nature which is normal for capitalist society, the rivals of J. Carter willingly throw namely on him personally the responsibility for the irresolution of these problems. In the summer of 1979 H. Jordan, assistant to the president for political affairs, admitted in one interview that the results of the election would depend on such problems as inflation, energy, SALT and so on. "If we do not achieve success here, we will be in very bad shape," he noted.

But the problems remain so acute that, in the opinion of many people in the United States, the popularity of J. Carter as the leader of the government is being greatly undermined. According to the data of a Septmeber public opinion poll conducted by Yankelovich, J. Carter as a political leader was less popular than the main presidential candidates from both the Republican and the Democratic parties, although about 160 specialists were already working on the strategy and tactics of his election campaign.

The supporters of the President planned by 1 January 1980 to collect in the campaign fund up to $5 million, or twofold more than G. Ford had four years ago (by September they had collected $2.1 million). But, as American commentators note, there is the real danger that it will not be possible to collect sufficient funds to wage an active campaign; for example, there is being noticed a sharp decline of "donations" from the Jewish community (for the Democrats they usually constitute 60-70 percent of all the "visible" receipts), which is suspicious about the maneuvers of the administration in Near East policy, as well as from the oil trusts, which have displayed discontent with the resignation of J. Schlesinger from the position of energy secretary.

For the present it is not clear, whom the most influential groups in the ruling circles will support (let us recall that at one time they "wrote off" R. Nixon without hesitation as a politician), but both the financing of the election campaign and its results will depend to a decisive extent precisely on them.

The position of Senator E. Kennedy at this moment is considered very strong. The considerable decline of the prestige of J. Carter among the voters and the fear over the outcome of the election among Congress members from the Democratic Party, as well as among party functionaries are promoting an increase of the reliance on the senator as the more popular and "stronger" politician.

E. Kennedy has the reputation of a liberal. His position in the voting in the Senate is approved by 95 percent (according to the used system of "ratings") by the bourgeois-liberal organization Americans for Democratic Action, while conservative organizations condemn it by the same proportion. Thus, the senator from Massachusetts voted for the passage of the Humphrey-Hawkins bill on employment and for the revision of labor legislation, he opposed the decontrol of natural gas, which is suitable to the petroleum monopolies, he has supported for a long time the reform of the health care system. The senator voted against the repeal of economic sanctions against Rhodesia and against the sale of fighters worth a total of $4.5 billion to Saudi Arabia, Egypt and Israel (in the latter matter contrary to the position of the administration). He also supported the Panama Canal treaties and is known as one of the most active supporters of limiting the increase of defense spending. The senator has quite consistently supported the complete ban of nuclear tests and has vigorously supported the SALT II Treaty.

Among E. Kennedy's drawbacks are certain incidents which have a bearing on his personal life, which is persistently being brought to light by the press, and his "extreme liberalism." As to the latter, the senator is already making adjustments, gradually shifting "to the right"--closer to the center. He states in his interviews that he would not boost the current federal budget, but would spend the money differently, less for defense programs and more for social programs; in particular, he would remove from the budget for the current fiscal year the appropriations for a new aircraft carrier and MX missiles. As before he defends his project of a federal health insurance plan, but has outlined a decrease of its cost from $200 billion to $30 billion a year and has proposed to involve private insurance companies in it. On the one hand, E. Kennedy advocates the reduction of tax rates for some categories of workers, on the other, he is promising the monopolies to stimulate investments by reducing the corporate tax and introducing new credits for the expansion of production; he is willing to lessen the role of the Federal Government in the regulation of air and motor transport. The senator prefers not to bind himself with exclusive reliance on the traditionally liberal (according to American concepts) forces--the labor unions, the academic intelligentsia, black Americans, thereby counting on attracting to his side other strata of voters as well.

As is believed in the United States, California Governor Edmund (Jerry) Brown has a chance to be nominated by the Democratic Party. He promises to devote more attention to the problems of inflation and unemployment and to the economic situation of the country as a whole and criticizes J. Carter's Administration for "wasteful defense spending." He stated that "the Cuban crisis is an artificially blown-up political sensation, and nothing more;

in a year people will be amazed by why, strictly speaking, the clamor was raised." The governor is regarded with interest in pro-Israeli circles due to his categorical support of the separate Egyptian-Israeli deal and his opposition to any contacts with the Palestine Liberation Organization. However, as observers write, from the point of view of influential political circles in the United States E. Brown is too impulsive, "unpredictable," young and, what is the main thing, liberal.

Thus, for the present it is still far from clear who will be the official candidate for the U.S. presidency from each of the main bourgeois parties. Moreover, even the question of the election strategy of both parties has not yet been solved. All this attests to the complexity of the period through which the United States is living on the threshold of the 1980's.

The Communist Party of the United States announced the nomination of party General Secretary Gus Hall for the U.S. presidency in the 1980 election. The well-known black activist Angela Davis became the candidate of the communists for U.S. vice president. This decision was made at the plenum of the Central Committee of the Communist Party, which was held on 17-18 November. Speaking at the plenum, National Chairman of the Communist Party Henry Winston stated that "the questions of strengthening peace, of cardinal democratic reforms for the purpose of meeting the needs of the workers have been included as the main points of the election platform of the communists." The candidates will focus attention on the exposure of the new aggressive plans of the Pentagon and the analysis of the intensifying economic slump in the country.

U.S. communists have set as their goal to achieve the inclusion of the candidates nominated by them on the ballots of at least 30 states.

7807
CSO: 1803

WASHINGTON AND THE NINTH OAS SESSION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 64-68

/Article by Ye. V. Mityayeva/

/Text/ The results of the Ninth Session of the General Assembly of the Organization of American States (OAS), which was held in La Paz (Bolivia) in late October 1979, have been discussed in Latin America for several months. In all 26 countries of Latin America and the United States, which for a long time used the OAS as a tool of its policy in the region, took part in it. The session in La Paz developed into a confrontation of the majority of Latin American countries, on the one hand, and the United States, on the other. The inter-American forum once again showed that the times when the United States held the position of unquestionable supremacy on the continent had been left far behind. It is becoming more and more difficult for Washington to use the OAS as a tool of economic and political expansion in Latin America, it is no longer able to force this organization to automatically make decisions which are in accordance with its wishes.

It is possible not only to judge Washington's position in this organization, but also to tally some results of the Latin American policy of the Democratic administration from what questions were raised and what decisions were made at the Ninth OAS Session. Next year, 1980, the election campaign will be the main problem of the government, and it is hardly possible to anticipate new significant initiatives in the relations with the southern neighbors.

One of the results of Washington's policy in Latin America, as U.S. NEWS AND WORLD REPORT states on 1 October 1979, is that "the United States is losing its foothold, while other powers are making great economic and political gains in this region.... The United States has rarely aroused sympathy among the Latin American countries, but usually Latin America respects it. Now, apparently, this is not so. Only distrust, animosity and misunderstanding remain."

Three years ago the current administration proclaimed as the bases of its Latin American policy "the respect of the sovereignty of all states," "the defense of human rights" and the aspiration to settle economic conflicts. However, during the years of its rule it has become clear that the official statements and the practical actions have far from coincided. The United States was criticized for this on the part of many Latin American states, including Mexico, Brazil and Argentina.

Since the holding of the preceding OAS session (June-July 1978) a number of important events have occurred in Latin America. The overthrow of the American henchman, dictator Somoza, in Nicaragua was the most significant of them. It is noteworthy that the Latin American countries this time categorically rejected U.S. attempts to intervene in Nicaragua under the OAS flag in order to halt the revolution. The struggle against dictatorships was also intensified in other countries. In El Salvador the ruling circles, in order to put down the wave of popular indignation, had to remove the military men from power, setting up a right-wing civilian government in their place. In Bolivia the reactionary military clique, having already seized power, was forced for the first time to retreat under the onslaught of the active resistance of the popular masses. The Conference of Non-Aligned Countries, which demonstrated the enormous increase of the international prestige of the Republic of Cuba, was held in Havana in September 1979.

All these events left a mark on the course of the OAS session in La Paz.

The question raised by Bolivia of granting it access to the Pacific Ocean held a prominent place at the session.[1] The American press, in striving to dampen the sharp conflicts between the United States and the Latin American countries, which have come to light in the OAS, attempted to present this issue very nearly as the central, "most controversial" problem of the conference in La Paz. In reality this was not so.

The problems of trade and economic relations between the United States and the countries of Latin America were the most pressing at the session. Contrary to the numerous promises of J. Carter's Administration the situation in this area has not improved. The access of Latin American goods to the U.S. market as before is limited, an agreement on the stabilization of prices for raw materials has not been reached; just as before, on the basis of a 1974 law, Venezuela and Ecuador are subject to discrimination in trade

---

1. Bolivia lost its coastal lands 100 years ago: they were seized by Chile after the second Pacific Ocean war (1879-1884). At present, due to the need to transport its goods through foreign ports, the country loses more than 30 percent of all the revenues from exports. Wishing once again to gain access to the ocean, Bolivia earlier held talks with Chilean authorities on granting it a "corridor" leading to the coast, but they were without result. Therefore in his speech at La Paz then Bolivian President W. Guevara proposed to examine this problem on a multilateral basis, counting on OAS assistance. At a special meeting 25 member countries of the organization expressed support of Bolivia on this issue.

for membership in OPEC. The session demonstrated the further aggravation of the differences between the United States and the countries of Latin America. In spite of the fact that President J. Carter at the preceding session of the OAS General Assembly declared his resolve "to combat protectionism" and to promote an increase of the trade volume of the states of the continent, the United States continued to create new obstacles to the increase of exports of the Latin American countries. On the first day of the ninth session Bolivia made a protest against the next such action of the United States--its intention to release on the world market 35,000 tons of tin from its strategic reserves, which would lead to a decline of the prices for this metal. This step of Washington did enormous harm to Bolivia, which is almost entirely dependent on the exports of tin.

The U.S. delegation was not able to make any constructive proposals on solving all these problems, which are pressing for the countries of Latin America.

In his speech U.S. Secretary of State C. Vance was not able to evade such a sore issue as the economic and social development of the countries of the continent. Since the moment the Democratic administration came into power Latin America expected that the United States would make concrete proposals in this area. And this time the high-ranking representative of Washington limited himself to the declaration that the problems of social development are "of primary importance and it is necessary to elaborate this issue." An increase of economic aid, however, was not promised. C. Vance in fact reaffirm the general principle of the policy of his government--not to take an active part in the economic and social development of the continent.

The theme of "the defense of human rights" held a significant place at the Ninth OAS Session. U.S. policy in this area with respect to the Latin American region was greatly compromised during the years that J. Carter's Administration has been in power. The events of 1978-1979 in Nicaragua showed especially vividly that the United States is by no means in a hurry to take the side of the fighters for democracy, supporting right-wing dictatorships until the last moment, if the opposition forces seem "too leftist" to it. In El Slavador the dictatorial regime, which was rotten to the core and was no longer able to hold power, was--clearly not without the assistance of Americans--promptly replaced by a new right-wing government, the main goal of which is to avert the gathering revolutionary outburst. The U.S. Secretary of State explained that Washington considered it "extremely necessary" to accomplish moderate transformations by peaceful means, since "tension and injustice" in the countries of the continent could lead to complications. Thereby C. Vance in fact revealed the main goal of the policy in "the defense of human rights" in its Latin American version: to convince the right-wing dictatorships of the need to surround themselves with the external attributes of bourgeois democracy, in order not to allow truly democratic, anti-imperialist forces to gain power.

The genuine attitude of the United States toward the principle of "the respect of sovereignty" of the countries of Latin America, which the current administration proclaimed the "basis" of its regional policy, was demonstrated at the OAS session. C. Vance used his speech to the OAS for anti-Cuban attacks. The question of the "Soviet military presence" in Cuba, which was boosted by U.S. propaganda, served as a pretext. The representative of the American Administration told of some "specific actions" undertaken by the United States--thus he characterized the sharp increase of the U.S. military presence in the Caribbean basin. C. Vance appealed for "an increase of vigilance" with respect to "the threat of interference" on the part of "foreign powers" in the region.

The open demonstration of military force in the Caribbean basin--the creation of a "Caribbean task force headquarters" for the "rapid reaction" to events not in accordance with the wishes of the United States, the holding of military maneuvers in this region (including at Guantanamo Naval Base)--clearly contradicted the principle proclaimed by Washington of the respect of the sovereignty and the noninterference in the affairs of other states.

The speech of Venezuelan Minister of Foreign Affairs J. A. Zambrano Velasco reflected the position of the countries of Latin America on this issue. He stated that "the United States reacted to the presence of Soviet servicemen in Cuba with an excessive demonstration of force," as well as sharply condemned the military exercises at Guantanamo Naval Base. As THE WASHINGTON POST emphasized, the speech of the representative of Venezuela was greeted with a "protracted ovation," while the speech of the U.S. Secretary of State evoked "only polite applause."

This was not the first attempt of J. Carter's Administration to use the OAS for putting pressure on Cuba. At the preceding, eighth session the United States attempted unsuccessfully to achieve from the Latin American countries "the condemnation of the role of Cuba in Africa." At that time Washington had to withdraw its own proposal, since only a few of the most reactionary regimes were ready to support it.

At La Paz Latin America also did not fall under the thumb of the United States. The countries of the continent did not want, in the words of then Bolivian President W. Guevara Arce, to remain on the ideological and political level "mere hirelings" of the developed states, they stood up for their right "to maintain ties with one country or another exclusively in their own interests." Having sounded out the situation, the U.S. representatives understood that their idea to "condemn" Cuba on behalf of the OAS would not be approved by the majority of members of the organization, and renounced this plan.

As usual, the problems of the functioning of the Organization of American States itself were raised at the session. It was criticized long ago for ineffectiveness and for endless unproductive debates. A number of member countries proposed to make changes in the OAS Charter. This question was discussed especially extensively at the seventh session, which was held in Grenada in 1977. In trying to achieve greater equality, the Latin American governments supported the creation of a permanent council of the organization. The United States insisted on the strengthening of the general secretariat, in which it counted on maintaining a predominant influence. Some states of Latin America propose to insert in the OAS Charter a clause on "collective economic security," which Washington categorically opposed.

At La Paz C. Vance stated that the primary goal of the Ninth OAS Session was "to revive and redefine" the role and functions of the organization. At the same time he reaffirmed Washington's intentions to reduce the amount of the financial payment to the OAS, calling this "a more uniform distribution of expenses."

The representatives of Latin America called for the radical reorganization of the OAS, so that it would deal with the vital problems of the continent, that is, questions of economic and social development. At the ninth session a number of Latin American countries questioned the validity of the very participation of the United States in the OAS. Thus, Zambrano Velasco named as the most important cause of the ineffectiveness of the organization the fact that such different regions as Latin America and the United States belonged to it. Nicaraguan representative Miguel D'Escoto spoke out even more sharply. He said that the presence of the United States in the OAS was illogical, since it is necessary for the Latin American states "to protect their own interests from this northern neighbor."

The conflicts between the United States and its southern neighbors were reflected in the final document adopted by the session participants--the La Paz Declaration. Its draft was submitted by the countries of the Andes group, which are actively striving to free themselves from the domination of U.S. imperialism in all areas. In characterizing this document it should first of all be noted that the intention of the countries of the continent to review inter-American relations in the interests of Latin America is reflected in it.

The declaration calls for the strict observance of the principle of the noninterference of some states in the domestic affairs of others and condemns the practice of taking restrictive steps which do harm to the trade of the developing countries (it is quite obvious that first of all this clause is directed toward the United States).

The La Paz Declaration vividly attests to the desire of the majority of states of the Western Hemisphere to carry out the reform of the OAS and to transform this organization into an effective organ of the protection of their genuine interests.

On the whole the course and results of the Ninth Session of the OAS General Assembly clearly showed that the current administration has not been able to resolve the basic conflicts which exist between the United States and its southern neighbors.

7807
CSO: 1803

DOLLAR INSTABILITY AND ITS CAUSES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 69-77

/Article by M. A. Portnoy/

/Text/ During the final months of last year the United States again became the epicenter of the currency upheavals and economic difficulties of the West. The process of the depreciation of the dollar, which was transformed long ago into a chronic phenomenon, in combination with a number of other economic and political factors caused in September-October 1979 another panic on the currency markets, which was accompanied by an extraordinary increase of the demand and price for gold. One of the features of the recent assaults of the lack of confidence in the dollar consists in the fact that they came only a year after the U.S. Government introduced an extensive program to combat inflation and stabilize the dollar. Another feature is that these events developed under the conditions of an unstable economic situation and the appearance of signs of a new cyclical crisis in the United States, when the lack of confidence in its currency was intensified by a lack of confidence in its economy in general. Hence the enormous scale of the assault of the holders of depreciating currency assets on the gold markets.

The Exchange and Economic Situation During the Second Half of the Year

In mid-1979 the U.S. economic situation worsened appreciably. This occurred against the background of the aggravation of its foreign economic problems and the increase of domestic political instability. The published official data attested to a decrease of the GNP of the United States, which is regarded as the main indicator of an economic crisis. The results, which were discomforting for the United States, of the Tokyo conference of the heads of state and government of the seven largest capitalist countries, at which all the most important aspects of Washington's economic policy were sharply criticized, were added to this. The unprecedented shakeup in the American Government, which began on 17 July and was regarded in broad international circles as a unique American form of a government crisis, crowned all this.

The reaction of the world exchange markets was not long in coming. On 18 July the rate of exchange of the dollar declined sharply, while the price of a troy ounce of gold (31.1 g) passed the $300 mark. The trading volume in gold was twice as high as the average volume. In striving at all costs to halt the further decline of the rate of exchange of the national currency, the American Government announced an increase of the discount rate of the Federal Reserve System to 10 percent--the highest level for those times.[1] But this step alone was insufficient.

As FORTUNE noted, "the mass resignation of 17 July and the appointment of W. Miller, former chairman of the Board of Governors of the FRS, as Secretary of the Treasury struck such a blow to the position of the dollar, that Carter urgently needed a chairman of the Board of Governors of the FRS, who could reassure currency speculators."[2] Such a person was found in Paul Volcker. In contrast to W. Miller, who showed himself to be a supporter of a liberal financial policy, P. Volcker was known as an advocate of a strict monetary policy and the limitation of the growth of the money supply. The decline of the rate of exchange of the dollar ceased immediately. A decision on a new increase of the discount rate of the FRS to 10.5 percent, and then to 11 percent was made in August. However, these hasty steps were not able to make a radical change in the situation, but were merely conducive to a brief lull.

Along with the decline of the GNP reports appeared on the acceleration of the rise of wholesale prices in September 1979 to 18.5 percent (on an annual basis). A rise in prices was also noted in other countries of the West, which had also undertaken an increase of discount rates and other steps to check credit. Thus, all the conditions for a new outburst of lack of confidence not only in the dollar, but also in a number of other capitalist currencies had matured. All the financial and commodity markets were feverish, but, as always at moments of upheavals, the main attention was riveted to the gold market. Its price exceeded the $400 level and at one moment reached $444--even quite recently these figures were considered unlikely.

The scale of the speculative panic was so great, while the threat stemming from it to exchange and economic stability was so obvious, that the leading financial figures of the United States and the FRG at a meeting in Hamburg in late September hastily agreed to a program of joint actions to support the dollar. The published statement noted an understanding on immediate financial intervention on a concerted basis in order to resist sharp fluctuations of the rates of exchange on the exchange markets, especially the rate of exchange of the dollar. The United States declared that it would pursue a "disciplined" budgetary and monetary policy, would keep the growth rate of prices within less than 10 percent and in the immediate future would achieve a balance of payments surplus on current transactions. It would maintain strict budgetary restraints and strict control over the increase of the money supply. Thus, in exchange for support of the dollar on the part of the FRG the United States was forced to assume quite rigid commitments.

In assessing the importance of this understanding, specialists pointed out the following differences of it from the preceding steps. /First/ /in boldface/, so far, while trying not to allow an excessively great decline of the rate of exchange of the dollar with respect to the West German mark, the central banks of the United States and the FRG confined themselves to steps in support of the dollar primarily on the markets of New York and Farnkfurt am Main. Now they intend to intervene in the development of events at all financial centers, since the world exchange markets have become much more sensitive and interconnected.

/Second/ /in boldface/, from November 1978 to September 1979 the United States sold in the FRG $4.2 billion worth of Carter Bonds. A plan to issue an additional amount of these securities as one of the means of supporting the dollar has now been worked out. It is a matter of special treasury notes in marks, which will be sold to private individuals and financial institutions of the FRG for dollars, but will be redeemed for marks with the payment of the discount rate.[3]

/Third/ /in boldface/, a fundamental understanding was reached on the possible increase of the amount of resources in marks, which are offered by the FRG to the United States within the framework of SWAP transactions.

However, all these steps were clearly insufficient to restore confidence in the dollar. Under the pressure of the participants in the regular session of the International Monetary Fund and the International Bank for Reconstruction and Development (early October) the United States was forced to prepare a new, broader program to save the dollar. The announced steps included an increase of the FRS discount rate to 12 percent, the establishment of a mandatory standard of reserve deposits at FRS member banks in the amount of 8 percent of their dollar receipts from foreign sources, first of all from the Eurodollar market; the revision of the standard of reserve coverage for time saving deposits and call deposits; finally, it was announced that the FRS would shift the stress in its actions to the /direct/ /in boldface/ reduction of the money supply.[4]

After this the U.S. Treasury announced a change in the procedure of its gold auctions, declaring that now, in contrast to previous practice, it would not hold them regularly each month and the amounts of the sale of gold would be different. The announcements of the auctions would be made only a few days before the planned date of holding them--according to the calculations of American financial organs, this should complicate the maneuvers of international gold speculators and thereby be conducive to the stabilization of the dollar. Since May 1979 750,000 troy ounces of the precious metal had been auctioned monthly in the United States. A treasury representative once again recalled that the goal of the auctions is to obtain dollar receipts for reducing the deficit of the U.S. balance of trade and to promote the gradual demonetization of gold. Thereby Washington confirmed its position with respect to gold, considering it a conventional, and not a money commodity, and its aspiration to deprive it of monetary functions.

The steps to support the dollar, which were undertaken in October 1979, to a certain extent copy the program of its stabilization, which was announced on 1 November 1978, and to some extent are its continuation and development.[5] The failure of that program and the repetition of the disorders with the dollar for a year since its adoption explain the skepticism with which the new measures were greeted.

Taken together, they were conducive to some reassurance of the exchange markets. The decline of the rate of exchange of the dollar was halted, and the price of gold dropped slightly. However, in late December the exchange rate of the dollar again decreased, while the price of gold exceeded $500 per ounce.

The events of the last months of 1979 once again showed that the stabilization of the dollar, the checking of inflation and the normalization of economic development are closely interconnected, being in essence only different aspects of the difficult problem of ensuring the stability of economic development. In the opinion of NEWSWEEK, "the explosion of gold prices reflected the increase of uneasiness with regard to the tangle of economic problems: runaway inflation, the lack of confidence in paper money as a result of it, the threat of a recession for the world economy and the real danger of a new increase of oil prices or the halt of its deliveries, or both at the same time.... We should ask ourselves," the weekly further writes, "whether we recognize the seriousness of this economic disease. The clouds of uncertainty are now much blacker than we could have imagined."[6]

In scientific literature, and in particular in SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, the deep-seated causes of the progressive weakness of the dollar have already been repeatedly elucidated. Briefly speaking, they are rooted in the further development of the general crisis of capitalism, the contradictions of the U.S. economy itself, as well as in the unevenness of the economic and political development of the capitalist countries and the changes in the alinement of their forces. The enormous and ever increasing expenditures of a military political nature and government stimulation of economic growth are leading to a large increase of the monetary sphere and are accelerating inflation, which is undermining the position of the dollar both in domestic circulation and in international payment transactions. The efforts of the government to make economic growth safe have remained ineffective. It is necessary to sacrifice the stability of money for the attempts to increase the rate of economic development. In connection with the deficits of the U.S. trade balance and balance of payments a exportation of inflation is taking place--the displacement of depreciating dollars in international financial circluation, where they become the object of speculation and increase the instability of the capitalist currency and financial system.

As we see, the intricate interweaving of economic and exchange processes reflects the effect of an entire set of factors. Therefore, when analyzing the causes of the further depreciation of the dollar /at the present stage/ /in boldface/, it is difficult to single out any one cause, to which the decisive role in the events of recent months would belong. The systematic examination of these causes and their mainfestations makes it possible to make the picture of these events clearer.

Inflation

Western economists and government figures consider inflation and the rise in prices to be the main problem of the American economy.

Thus, the growth rate of retail prices in the country for all of 1979 was expressed by double digits--on the average at the level of more than 13 percent (on an annual basis). This process has been transformed into an integral component of the American economic system. In the opinion of some specialists, it was inflation which supported the recovery and cyclical upswing of the economy after the 1973-1975 recession. However, its expansion again and again undermines the stability of economic development. This took the form, for example, of the sharp increase of consumer debt--one of the forms of "the escape from money." Faced with the prospect of the incessant increase of prices, consumers began to spend their dollars immediately, in order to avoid losses due to their depreciation, and to use credit more and more. The tendency to live on borrowed money assumed a dangerous scale for the economy. Alan Greenspan, former chairman of the President's Council of Economic Advisers, calculated that at the end of 1978 80 percent of the American families having debts spent on the average 35 percent of their income (after the withholding of taxes) on the covering of this debt and the payment of interest on it. When the growth rate of prices passed the 10-percent mark in 1979 consumers were forced to reduce spending and to increase savings, fearing an imminent recession and the possible loss of work. In turn under the conditions of accelerated inflation the corporations are trying to refrain from long-term capital investments, preferring to invest money in the financing of operations with a more rapid return and in financial speculations.

The unsuccessful attempts of the American Government to implement the anti-inflation program, which was announced in October 1978, are causing disenchantment and alarm in financial circles of the West. And this is not surprising. The 7-percent maximum annual increase in prices proposed by J. Carter in this program, in excess of which businessmen should not increase prices and labor unions should not demand an increase of wages, turned out rather to be violated by the corporations. In addition in June 1979 the Court of the District of Columbia, in which Washington is located, declared the actions of the government on implementing this program to be illegal. The U.S. Supreme Court reviewed this ruling, confirming the authority of the government. But at the same time the legislatures and other local authorities in a number of states significantly increased the salaries of their employees and the members of the legislative assemblies. The Congress did the same thing. Thus it again turned out that the administration's policy did not find firm support either in business or among a considerable portion of the government machinery.

The government programs to combat inflation did not yield the desired result. The federal budget deficit can serve as an indicator of the contradictoriness of the anti-inflation and financial policy. In 11 months of the 1978/79 fiscal year the federal budget deficit was $45 billion, while during the preceding fiscal year it was $48.8 billion. This trend is evoking strong doubts of American and international circles about the real feasibility of Carter's promise to achieve a balance of the federal budget by 1981.

The financing of budget deficits is carried out by further increasing the national debt. In October 1979 the U.S. Congress again increased the "ceiling" of this debt to $879 billion until 31 May 1980. This exceeds by $49 billion the former limit. The amount of the national debt in July 1979 was $807.5 billion. Its steady increase with the simultaneous increase of defense spending is more evidence of the unhealthy state of the American economy and finances.

The Sword of Damocles of the New Crisis

The progressive increase of prices in the United States, which is outdistancing the increase of prices in the countries which are the main exchange and trade partners of the United States, and the deficits of the American trade balance are one of the main factors of the decrease of the rate of exchange of the dollar on exchange markets, which is causing the disorganization of the already unstable capitalist currency and financial system and dissatisfaction in the business and political circles of Western Europe.

In this situation the U.S. Government in essence is counting on an economic slump as a means of combating inflation and the decline of the rate of exchange of the dollar on the currency exchanges. Government figures have openly stated that the slowing of economic growth is the price which it is necessary to pay in order to check inflation and to stabilize the dollar. Hopes have also been expressed that the decrease of the rate of economic growth will make it possible to reduce imports, while the cheapening of the dollar will make it possible to stimulate exports and in the end to improve the trade balance and the balance of payments.

Meanwhile this hackneyed plan long ago showed its unsuitability with reference to present conditions. The decline of the growth rate in the developed capitalist countries casts doubt on the possibility of expanding American exports, while the business decline in the United States is causing serious anxiety among its trade partners. Thus, many western experts believe that, despite the appreciable weakening of the role of the American economy as the main "motive force" of the economic development of the capitalist countries, a recession or depression in the United States, that is, in the most important of these countries, under the conditions of general economic instability could lead to a deep and protracted world economic crisis. The threat of "competitive slumps," in case of which the West European countries one after the other would begin to increase the discount rates in order to maintain the ratio to their currencies first of all with the FRG mark, which holds the relatively most stable position, is causing particular alarm among American economists. Such an increase of the discount rates and the increase of the cost of credit would slow economic growth and would check inflation in these countries, would stimulate the influx of foreign capital, the expansion of exports and the reduction of imports--the strengthening of the position of West European currencies would be the result. Like a chain reaction this would aggravate the position of the dollar and, in all probability, would force the FRG to agree to an even more restrictive policy to the detriment of its domestic economy.

Since the very beginning of 1979 the development of the American economy has proceeded under the omen of anticipation of a "recession," while during the second half of the year the onset of the new crisis become more realistic. True, literally on the eve of 1979 well-known American economist Paul Samuelson, citing the opinion of "the majority of American specialists," wrote that this would be "a year of a mild recession."[8] However, at that time it had already been noted that a short mild recession would not lead to the curbing of inflation, and the government, taking into account the election situation, no later than the end of 1979 will shift its efforts from the combating of inflation to the combating of a recession. Such assessments have been given by many experts.

The real events have developed close to this script. The currency panic and gold fever in September-October 1979 are largely explained by the fears of a deeper recession in the American economy after the decline of the GNP during the second quarter (according to the latest data, by 2.3 percent) became known. And the taking of restrictive steps to defend the dollar and to combat inflation in October 1979 gave specialists grounds to believe that the crisis would really developed in early 1980, which accords with earlier predictions. Here foreign financiers, taking into account the experience of the past, doubt that the American Government during the election campaign will consistently pursue an anti-inflation policy and thereby increase unemployment, although the interests of defending the dollar would require this.

Thus, the prospects of a new cyclical crisis act as another factor of the undermining of confidence both in the U.S. economy and in its monetary unit.

The Energy Factor

The dynamics of inflation, the exchange rate of the dollar and the general state of the U.S. economy to a great extent depend on the amounts of its oil imports and its relations with the OPEC countries.

As is known, at the Tokyo conference of the "big seven" J. Carter promised to achieve by 1986 a reduction of oil imports to 350 million tons a year by its stabilization at the current level (425 million tons) and its subsequent gradual reduction. Meanwhile, according to the data of the American press, in less than 10 years the cost of oil imports to the United States increased from $1 billion to more than $60 billion. It is believed that by the late 1980's it will import even more--about 750 million tons. These pessimistic assessments of the specialists are connected, in particular, with the lack of progress in the area of saving energy. The practice of recent months attests that the President's commitments, which were made in Tokyo, are not being met. American economists believed that in 1979 it would be possible to reduce oil consumption by the country at best by 5 percent, that is, to decrease imports only negligibly. In reality, for example, during the first four months of last year the decrease of oil consumption in the United States as compared with the same period of the previous year was only 0.7 percent, while in Western Europe it was 3.3 percent and in Japan 2.5 percent.

The lack of appreciable progress in saving energy and reducing oil imports to a great extent is explained by the ineffectiveness of government policy in the area of energy. Without going here into the details of this issue, which has already been covered in our press, let us merely note the contradictoriness of the enery programs, the lack of their support on the part of Congress and the open opposition of a considerable share of big business. All this is leading western observers to the conclusion that these programs are probably doomed. But in turn it means that American oil imports will remain high and the capitalist world as before will be flooded with depreciating paper dollars both through this channel of international settlements and through others with all the ensuing consequences for this former "king of currencies."

Washington is attempting to shift onto OPEC all the blame not only for the energy difficulties, but also for its economic disorders in general. Immediately after the Tokyo conference, which was preceded by the next increase of oil prices, J. Carter stated that it "makes a recession more likely than ever before." He said that in the United States the increase of oil prices would cause by late 1980 the loss of 800,000 workplaces, a decrease of the anticipated rate of economic growth by 2.5 percentage points and an increase of the growth rate of prices by another 2-2.5 percentage points. Meanwhile, a number of authoritative American economists openly admit that the U.S. economy at any rate is moving toward a slowdown without an increase of oil prices. Summing up these views, BUSINESS WEEK noted that "the economic problems facing the Carter Administration cannot be solved by shifting the blame to OPEC. The point is that so far Washington has proposed very few fresh ideas in the area of energy and the economy."

In turn the OPEC countries are accusing the United States of the fact that the depreciation of the dollar is reducing the real value of their receipts from oil exports. The threat of the OPEC countries to reject payments for oil in the American currency and to shift to a collective unit of payments, which is based on a "basket of currencies" (the Japanese yen, the West German mark, the Swiss franc and, perhaps, the British pound), became a significant factor of the undermining of international confidence in the dollar. After the exchange panic in September-October 1979 Saudi Arabian Minister of Petroleum and Mineral Resources Yamani announced a possible new increase of the price of oil in December to offset the losses from the decrease of the rate of exchange of the dollar. In November the threat hanging over the United States that the OPEC countries would shift in payments for oil to a collective unit resounded even more distinctly in the decisions of the regular conference of the heads of state and government of the Arab countries in Tunis, while in early December Iran announced its refusal to use the dollar in settlements for its oil and its shift to other currencies.

The carrying out of this threat might deal a decisive blow to the position of the dollar on the world markets. At one time the sharp increase of oil prices led to an increase of the demand of the world markets for dollars and helped to halt the decline of the rate of exchange of this currency. Now, when the amount of foreign currency receipts of the OPEC countries is about $180 billion a year,[9] the exclusion of this amount from international settlements would make it practically superfluous, but this might lead to such a decline of the rate of exchange of the dollar, the limits of which are difficult to predict. At the same time in such a case the demand for other currencies on the part of the United States, which in order to pay for oil would require foreign currency in an amount equivalent to what it is now paying for oil, that is, more than $60 billion, would increase sharply. This prospect, as TIME notes, horrifies the financial centers of Western Europe. If the United States is forced to pay for oil in foreign currencies, their rates of exchange will increase inordinately, while the once mighty dollar will depreciate accordingly.

Financial experts believe that the main factor restraining the OPEC countries from carrying out their threat is the fate of their dollar holdings in the United States, which in this case are also depreciating. For some oil-producing states, and first of all Saudi Arabia, are continuing to place their "petrodollars" in the United States and other countries of the West. According to the data of THE NEW YORK TIMES, which are cited with reference to economic consultants from the Arab states, the total amount of "petrodollars," which have been invested in the United States primarily by Saudi Arabia, the United Arab Emirates, Kuwait and the former regime of the Shah, is approximately $72 billion, of which Saudi Arabia accounts for $40-45 billion. Such a situation cannot continue indefinitely. In the middle of November of last year Iran announced its decision to withdraw from American banks and their branches abroad all its official holding in the total amount of approximately $12 billion. Under these circumstances every OPEC announcement with respect to the price of oil or the fate of the dollar is becoming a signal for a new onslaught on the currency exchanges and the mass sale of American currency.

Deficits of the Trade Balance and the Balance of Payments

According to the design of American government figures, the decline of the rate of exchange of the dollar should have helped to improve the ratio of exchange payments and receipts in the United States. However, it is impossible to ignore oil imports, but with allowance made for them the balance of trade for 1979, according to the estimate, ran a deficit of about $30 billion. During 1976-1978 along the total deficit was $75 billion, but with allowance made for the 1979 total it increased to more than $100 billion. It is obvious that a turning point of this trend cannot set in only as a result of the decline of the rate of exchange of the dollar. More earnest steps on reorganizing the structure of U.S. foreign trade are necessary, but they are also just unpracticable. "The increasing cost of oil is just part of the problem," U.S. NEWS AND WORLD REPORT wrote, "since Western Europe and Japan are still more dependent on fuel imports than the United States. More important is the fact, economists have concluded, that America is losing its leading positions in technology and is no longer able from year to year to reduce the production cost of products by a substantial increase of labor productivity. The gains in this area have helped other industrial countries, but not the United States, to offset the increase of the cost of fuel."[10] Thus, the problems of foreign trade are closely connected with the fundamental problems of the economy, without the solution of which radical changes in the state of foreign trade should not be expected.

American economic observers reckon that the economic crisis will lead to an increase of exports and a decrease of imports: the decline of demand in the country will limit its needs for imported products and will step up exports. They are trying to apply similar arguments also to the balance of payments as a whole. In 1978 its deficit on current transations was $14 billion. They presume that in connection with the slowing of the rate of development of the economy and the decline of the rate of exchange of the dollar the payments deficit in 1979 will be reduced to $4 billion.

According to the data of the monthly publications of the FRS Board of Governors, the average rate of exchange of the dollar in 1978 was 8.5 percent lower than the 1977 level with respect to the Franch franc, 12.8 percent with respect to the FRG mark, 22.2 percent with respect to the Japanese yen and 25.9 percent with respect to Swiss franc. During July 1979 the average rate of exchange of the dollar increased slightly only with respect to the yen (by 3.9 percent), while with respect to the other currencies it fell even lower: 5.8 percent with respect to the French franc, 8.8 percent with respect to the FRG mark and 7.4 percent with respect to the Swiss franc. These average indicators of the changes in the rate of exchange smooth over the daily fluctuations, which are of great importance for describing the status of the currency. But with reference to the analysis of the prospects of the balance of payments they give a picture of a steady decline of the rate of exchange, which is regarded in the United States as a means of at least a short-term improvement of the balance of payments, since the decline of the rate of exchange of the dollar as compared with other currencies, all else being equal, leads to an increase of the exports of goods from the United States.

Meanwhile it should be taken into account that the mechanism of the influence of the decline of the rate of exchange of the dollar on the trade balance and the balance of payments is not well-defined. The decline of the rate of exchange is advantageous to foreign trade: it stimulates the expansion of exports in connection with the decrease of the cost of nationally produced products on foreign markets and promotes the restriction of imports owing to the increase of the cost of goods of foreign origin in the currency of the given country. That is why American industrial and trade firms, with the exception of those for which the proportion of import operations is high, are not interested in strengthening the position of the dollar. At the same time there is doubt about the possibilities of a considerable stepping up of the demand of the world markets for American goods under the conditions of a slack economic situation in the countries which are partners of the United States.

As to financial operations, here the opposite relationship is forming. The decline of the rate of exchange of the dollar is evoking among the holders of dollar assets the aspiration to get rid of them a little more rapidly and to shift to other currencies until the dollar has dropped even further. Here the mechanism of floating exchange rates is an inadequate obstacle to the mass transfers of capital, since the difference between the growth rates of prices in different countries is its motive force. That is why it is so hard for the Washington administration to halt the transfer of dollar assets to the FRG and other countries with a less rapid increase of prices and more stable currencies.

In short, the position of the dollar remains unstable, while the prospects of a steady improvement of the U.S. trade balance and balance of payments remain doubtful.

Eurodollar Market

One of the most important causes of the undermining of the positions of the dollar is connected with the deficit of the U.S. balance of payments. The meeting of this deficit takes place in the form of the increase of the short-term dollar indebtedness of the United States to foreign central banks and international financial organizations, for which it acts as their official currency reserves. According to the latest data, which for understandable reasons are not notable for accuracy, the estimates of the total amount of these reserves range from $250 billion to $300 billion. In the official circles of the countries which are partners of the United States the conviction was formed long ago that their central banks should gradually exchange a considerable portion of their reserves in dollars for West German marks, Swiss francs, yen and other more stable currencies. According to the testimony of Bank of England Governor Gordon Richardson, these transactions are already now being carried out on a considerable scale, and many countries have substantially reduced the dollar share of their reserves in favor of other currencies. In essence this is an admission that the /central/ /in boldface/ banks of the countries which are the partners of the United States, in striving to get rid of the dollar, by their transactions are promoting a decline of its rate of exchange.

But no matter what their intentions are, a much more serious threat to the dollar comes from /private/ /in boldface/ banks within the United States, which have financial assets in dollars, that is, from the Eurodollar market--a component of the Eurocurrency market. The size of this enormous international private capital market, which western financiers have nicknamed the "xenocurrency" market, is, according to the latest estimates, about $1 trillion. This is a significant and as if independent financial force. It is believed that the size of this uncontrolled market increases annually by 25 percent, and although in recent years West German marks and other currencies have played a greater and greater role here, dollar holdings account for not less than 70 percent, that is, in the neighborhood of about $700 billion. It is clear that transfers of any appreciable portion of this amount strike a blow to the dollar and introduce additional elements of disorganization in the unstable currency system of capitalism. The uncontrolled operation of this market lessens the effectiveness of U.S. monetary policy, reducing the extent of its resistance to inflation.

In this sense the above-mentioned introduction of a mandatory standard of reserve deposits, which American banks receive from the Eurodollar market, is an attempt by the FRS to restrict banking operations with this market. However, such a step is inadequate for the establishment of practicable control over the Eurodollar market and will not have a decisive influence on it. The rapid swelling of the market of private short-term capital against the background of the unstable economic development of the capitalist countries and the newer and newer exchange and economic difficulties of the United States is strengthening the conviction of financiers that sooner or later a financial crisis might occur on this market owing to the inability of the United States to ensure the support of an adequate purchasing power of the dollars floating about outside it. Thus, the aspiration to turn dollar assets into other currencies remains an important factor of the undermining of the position of the dollar in the future.

Gold Against the Dollar

As in the past, the outbreak of lack of confidence in the dollar in September-October 1979 was accompanied by a new sharp increase in the demand and price for gold. In many ways it reflected the contradictoriness and instability both of the present situation and of the economic, political and social prospects of the world capitalist system. Gold purchases are regarded by the holders of dollar assets as a means of insuring them under the conditions of the acceleration of inflation and the decline of the purchasing power of money. An additional stimulus to the increase of the price of gold was given by the increase of the demand on the part of oil-producing countries, which are striving to turn their new dollar receipts into this and other valuable metals. In the opinion of Swiss bankers, apart from general inflation and the increase of oil prices, the rise in the price of gold has been caused by newer and newer economic difficulties of the United States, by government disorders in this country, as well as by the possible reduction of the deliveries of the precious metal to the gold markets during the current year with the simultaneous increase of industrial demand. Various speculative operations, especially of private holders in the United States, are also playing an important role.

A peculiarity of this market is that the supply of gold is restricted to well-known limits, while the demand persistently exceeds it. According to estimates, in 1979 the sales of the main supplier--South Africa--were maintained at the level of recent years, which is slightly lower than the previous level, and were approximately 710 tons. The volume of the monthly sale of gold at the auctions of the U.S. Treasury was 750,000 ounces, or 23.3 tons. The auctions to sell gold from the reserves of the International Monetary Fund, which are held in conformity with the Jamaica decisions of the IMF (1976) on international currency reform in the capitalist world, are an additional source of its regular deliveries here.

Since the volume of gold sales in practice remains unchanged, even a small increase of demand under the influence of the unstable economic and currency situation immediately pushes the price of the yellow metal upward. Here every new increase of its price is regarded as a sign of the intensification of the trouble in the economy and the currency system of capitalism. And this in turn causes a new increase of the demand for gold and so on. This mechanism displayed its operation especially sharply during the currency panic in September-October 1979. But, for example, the decision of the American Government on a new series of steps in support of the dollar had the result that the price of gold declined sharply (then it increased again).

In practice all the observers in the West are unanimous that the increase of the price of gold reflects the lack of confidence in the dollar. And the demonstrative statement of new Secretary of the Treasury W. Miller that, when calculated in current prices, the United States has in the government reserve gold worth $100 billion, did not reassure anyone, for the amount of the dollars circulating outside the United States exceeds this amount by 10-fold.

The survey of the present state of the dollar and the causes of the exchange shocks connected with it shows that the reasons for the further weakening of its position in the 1970's consist in the unhealthy nature of U.S. economic development and the instability of the capitalist currency system. It is not surprising that the speech of W. Miller at the mentioned session of the International Monetary Fund and the International Bank for Reconstruction and Development, at which he assured the participants of the forthcoming improvement of the U.S. balance of payments and the state of the dollar and the slowing of inflation, was greeted skeptically. Moreover, in the opinion of the delegates, the worsening of the economic situation, which will intensify the instability of the capitalist currency system, especially the American dollar, is inevitable.

Many western experts believe that at least until the elections in the United States and immediately after them it is hardly possible to count on a radical improvement of the position of the dollar, no matter what set of decisions on strengthening its rate of exchange is chosen by the American Government. As to the long-range future, the restriction of the role of the dollar in the international currency system[11] with the simultaneous overflowing of the channels of international financial operations with this depreciating currency means the inevitability of the painful process of replacing it with more adequate means of exchange.

FOOTNOTES

1. The discount rate of the FRS is the interest paid by private (commercial) banks for credit at Federal Reserve banks. The increase of the rate limits the opportunities for commercial banks to expand their own credit operations and forces them to increase their interest on loans to private companies. Thus, the increase of the discount rate of the FRS is a quite strong restrictive measure of monetary policy.

2. FORTUNE, 10 September 1979, p 62.

3. Treasury bonds, which were written out in the currencies of the creditor countries, were issue for the first time in the United States in 1962. They guaranteed these countries against losses which might be the result of the depreciation of the dollar. These securities were called Roosa Bonds after the then U.S. Undersecretary of the Treasury, who commenced their use. In selling them for dollars, Washington is striving to withdraw from international circulation at least a portion of the excess dollars. In order to pay off these bonds the United States should have the corresponding amounts in foreign currency. Its shortage is covered by SWAP operations (mutual short-term credits of the countries of the West). In late October 1979 the U.S. Department of the Treasury announced that it was selling special treasury bonds (they are now called Carter Bonds) to the FRG in the amount of $2.2 billion or 4 billion marks.

4. TIME, 22 October 1979, pp 15, 16; THE ECONOMIST, 13 October 1979, p 73.

5. BIKI, 21 November 1978, p 8.

6. NEWSWEEK, 1 October 1979, p 42.

7. See, for example, No 8 for 1978--editorial note.

8. FINANCIAL TIMES, 30 December 1978.

9. TIME, 9 July 1979, p 9.

10. U.S. NEWS AND WORLD REPORT, 23 April 1979, p 45.

11. We are contemplating devoting a special article to this question in one of the next issues of the journal--editorial note.

7807
CSO: 1803

THE POWERS THAT BE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 78-90

/Second installment of Russian digest of chapters from the book "The Powers That Be: The Los Angeles Times" by David Halberstam, New York, Alfred A. Knopf, 1979/

/Not translated by JPRS/

CSO: 1803

NEW GENERATION OF ROBOTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80 pp 91-103

/Article by A. S. Konson and V. I. Belodedov/

/Not translated by JPRS/

CSO: 1803

PROBLEMS OF LAND USE IN THE U.S.

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80 pp 104-112

/Article by S. P. Gorshkov and Yu. G. Yermakov/

/Not translated by JPRS/

CSO: 1803

BOOK REVIEWS

Soviet-American Relations

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 113-115

/Review by Yu. P. Babich of the book "Perceptions: Relations Between the United States and the Soviet Union," United States Senate, Committee on Foreign Relations, Washington, U.S. Government Printing Office, 1979, XV+462 pages/

/Text/ The publication under the aegis of the Senate Committee on Foreign Relations of the collection being reviewed was a kind of reflection of the ideological and political struggle taking place in the United States over the problems of Soviet-American relations.

The opinions of 79 American specialists on different aspects of Soviet-American relations are presented in the book. Each of the statements is in essence a response to the corresponding questions, which were prepared and sent out in the middle of 1978 by staff members of the Senate Committee on Foreign Relations. The collection is prefaced with the introductory article of former Senator John Sparkman, who from 1974 to 1979 held the position of committee chairman, as well as by short resumes of the opinions of the specialists on one aspect or another of Soviet-American relations, which were prepared by the committee staff members.

Political and public figures, scholars and representatives of U.S. business circles are among the authors of the collection. Often they hold different, at times directly opposite views. Along with supporters of detente and the further improvement of relations with the USSR outspoken apologists of the Cold War, supporters of the policy from "a position of strength," the further stepping up of the arms race and the increase of tension are also represented very extensively on the pages of the collection. The compilers of the collection, apparently, thereby took cognizance of "objectivity," although it is obvious that the political myths of the Cold War times are hardly capable of increasing the scientific and political potential of the book.

The materials of the collection are broken down into 15 sections. Not all of these sections, however, are equivalent. Some of them in general have a very remote bearing, in our opinion, on the theme in question. Such, for example, are the first three sections, which were written by a group of "Sovietologists," among whom are A. Katzenellenbogen, R. Kolkowitz, C. Black, D. Treadgold and A. Ulam. All of these sections are traditional constructions for "Sovietology" in the spirit of anticommunist and anti-Sovietism, which interpret extremely wrongly, and at times simply in a slanderous form both the nature of Soviet society and the sources of Soviet domestic and foreign policy, their content and purposes. Publications like this in essence call in question the very concept of detente in Soviet-American relations and are by no means conducive to the mutual understanding of the two countries.

The statements of those authors, who are genuinely worried by the prospects of interstate relations of the United States and the USSR, in spite of the anticommunist prejudices hanging over the authors, against this background are much more serious and significant--first of all from the point of view of the national interests of the United States itself. Still, they try to approach the problems of Soviet-American relations from realistic positions, from positions of common sense. Especially since, as former Senate Foreign Relations Committee Chairman John Sparkman states in his foreword to the collection, "in spite of the historical and ideological gulf, which separates our two countries, an obvious community of interests also exists between them. It can be expressed in one word--survival" (p VI). Hence, in Sparkman's opinion, also stems the historical need to shift from the confrontation to the cooperation of the two powers in solving existing problems--cooperation through negotiations. "This," Sparkman emphasizes, "is the only political choice which corresponds to common sense. And the American people should insist on it" (p VIII).

To illustrate the acuteness of the ideological-political struggle in the United States over questions of Soviet-American relations let us take if only one of the most important aspects of these relations--the curbing of the arms race, including strategic arms.

Some of the authors of the collection, such as, for example, Charles Tyroler, director of the well-known Committee on the Present Danger, openly oppose any talks whatsoever with the Soviet Union in this area. This is done under the cover of lofty phrases about the "aggressiveness" and "expansionism" of the USSR, which ostensibly "is striving to achieve strategic superiority" over the United States for the sake of establishing "a communist order" throughout the world (p 319). "There is no evidence," Tyroler states categorically, "that the SALT talks, the expanding economic and cultural ties, the Helsinki understandings and all other manifestations of 'detente' have reduced these aspirations of the Soviet Union" (p 324).

This troubadour of the Cold War is echoed by Walt Rostow, who now holds the position of professor at the University of Texas (Austin) and draws from such "theoretical" premises the completely unequivocal practical conclusion that the Washington administration should, he says, "...seek ways to correct the growing disproportions in arms between the Soviet Union and the West..." (p 449).

Although such rehashes of the old myth about the notorious "Soviet threat" do suit certain, very influential circles in the United States, they are, mildly speaking, far from reality. And some authors of the book indicate this fact with all certainty.

"Our policy," Karl (Marsy), one of the executives of the American Committee on East-West Accord, for example, writes, "should be based not on myths, but on facts..." (p 311).

But University of California (Los Angeles) Professor Bernard Brodie states that he "sees no reason to regard Soviet policy as bearing a greater risk than American policy, which since the times of World War II has drawn us into open wars in Korea and Vietnam, as well as into direct intervention in other regions of the world" (p 327). As if exposing the fabrications about "Soviet aggressiveness" and "the expansionism of the Russians," Professor Brodie stresses that "...so far they have always been more restrained with respect to the /use/ /in boldface/ (stressed by the author--Yu. B.) of their military strength than we have been," that "...the Soviet Union is not about to be the initiator of a nuclear war with us with the use of strategic thermonuclear weapons," that "...even those Americans, who express the greatest apprehensions with regard to the aggressiveness of the Soviet Union, like the members of the Committee on the Present Danger, experience great difficulties when they are asked to specify in what this is manifested. They simply ascribe to the Russians organic and constant aggressiveness..." (p 329).

Wolfgang Panofsky, director of the Linear Accelerator Center at Stanford University in California, in turn directs attention to the importance of talks in the area of limiting the arms race, especially the nuclear arms race, both for Soviet-American relations and for the cause of universal peace. "The question can hardly arise," he states, "as to whether successful talks in the area of limiting the arms race are an integral component of the future security of our country" (p 358). Nevertheless, although the striking power of the United States, Panofsky writes, at present is already equivalent to 4 million tons of TNT (while the total power of the atomic bombs exploded at the end of World War II was no more than 15 kilotons), the nuclear arms race is continuing, and it is the United States, as was the case previously, which is acting as the initiator of the constant technological updating of the nuclear missile potential.

Many authors of the collection (among them, in particular, are Harvard University Professor George Kistiakowsky, Professor Herbert York from the University of California at San Diego, Doctor John Steinbruner of the Brookings Institution, Doctor Samuel Wells, Jr., an associate of the Wilson Center for the Study of Problems of International Security in Washington) stress the exceptionally great importance of the SALT talks. They indicate the importance of the SALT II Treaty both for Soviet-American relations and for the intensification of the process of detente as a whole. They justly criticize those who, like Colin Gray of the Hudson Institute in the state of New York, are attempting to undermine the process of strategic arms limitation, asserting, in particular, that Soviet-American relations should not "be transformed into a hostage of strategic arms limitation" (p 345), or attempt to "tie" these talks with other problems which have no bearing on them. At the same time they express their confidence that the continuation of the strategic arms limitation talks should lead to a halt of the increase of the arsenals of nuclear missile weapons and should ensure their effective quantitative and qualitative limitation in the immediate future.

A no less fierce ideological and political struggle over other aspects of Soviet-American relations, such as, for example, the prospects of the development of trade, economic, cultural and other ties between the USSR and the United States, their policy in Europe and the role of the "China factor" in Soviet-American relations, is also traced in the collection.

The ideological and political struggle over the problems of the interrelations of the two great states inevitably leaves its mark on the formation and implementation of the practical policy of the United States with respect to the USSR. Not without reason does former Senate Foreign Relations Committee Chairman William Fulbright criticize U.S. ruling circles for "confusion and inconsistency," for "great vacillations in policy with respect to the Soviet Union," for the harm to the process of detente, which was caused by some actions of the current Washington administration (p 442). And Fulbright calls upon Washington to display greater responsibility in matters of Soviet-American relations.

In touching upon a wide range of problems of the relations with the USSR, the publication in question undoubtedly will draw the attention of the general public of the United States to them. The materials published in the book, despite all their ambiguity and contradictoriness, nevertheless convince us that the ideas of detente, peace and international cooperation have struck very deep roots in the United States and that a real alternative in the development of relations with the USSR under present conditions simply does not exist. And those who would like to radically change the course of events and return to the gloomy times of the Cold War are forced to take this fact into consideration.

Media and Business

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80 pp 115-117

/Review by N. A. Sakharov of the book "The Media and Business" edited by H. Simons and J. A. Califano, Jr., New York, Vintage Books, 1979, XXIV+229 pages7

/Text7 The book being reviewed is a collection of the materials of a conference of leading journalists, publishers and representatives of business and political circles of the United States, which was held in Princeton in late 1977. The conference was held under the aegis of the Ford Foundation and a number of major American newspapers--THE NEW YORK TIMES, THE WASHINGTON POST, THE WALL STREET JOURNAL and others. The problems of covering the activity of American business in the press, on radio and television stations in the United States were the topic of discussion.

The verbatim reports of the discussion of three hypothetical situations, which are typical of the present entrepreneurial practice of American business, are included in the collection. They are the production by an unnamed pharmaceutical company of medicines, which have been approved by the Food and Drug Administration and do harm to the human body; the bribery by a military-industrial company of government officials of a foreign power for the purpose of selling to it a large consignment of arms, in which the U.S. Department of Defense is also interested; the machinations of a bank, which are connected with capital investments in housing construction, which were made with the assistance of local authorities.

Since we do not have the opportunity in a short review to cover all the statements of the conference participants and all the aspects of the interrelations of business and the mass media, let us dwell on the introduction, which is of a conceptual nature. It was written by managing editor of THE WASHINGTON POST H. Simons and former Secretary of Health, Education and Welfare J. Califano.

The authors of the introduction stress that at present many representatives of American monopoly capital constantly claim the "lack of responsibility," "the pursuit of sensationalism" and "the negative attitude" toward business when its activity is covered by the mass media. The publication of materials on the illegal actions of many banks and companies in the sphere of business undertakings, the corruption of government personnel by the monopolies, the pursuit by corporations of self-seeking interests are undermining the prestige and influence of American business. From such statements of a number of prominent monopolists H. Simons and J. Califano conclude that "the openly antagonistic relations between the two mighty and self-righteous institutions (between business and the mass media--N. S.)" are being aggravated more and more (p IX).

This is also the main conclusion of the statements of other authors of the collection being reviewed, who took part in the conference held in Princeton. It is characteristic of modern bourgeois journalism and of political and sociological thought in the United States in general. In using the terms "antagonism," "conflict," "confrontation" and so forth, the conference participants in essence focused on only one, although important aspect of the interrelations of the ruling class and the organs of the press, radio and television. Indeed, critical articles and reports on big business often appear on the pages, for example, of THE NEW YORK TIMES or on NBC television programs. Suffice it to recall the recent major scandals in U.S. ruling circles in connection with the bribery of officials by Lockheed and other firms or the revelation of the financial affairs of former

Director of the Office of Management and Budget B. Lance. In these and other cases, the authors of the introductory article emphasize, the organs of the media played a significant role in the fact that as a result considerable moral, political and economic harm was done to certain circles of American business and the political figures connected with them.

While stating this, the authors, however, deliberately overlook the fact that an obvious difference in the positions of a number of newspapers and television companies is observed in the coverage of many sensational exposures, but this indicates the considerable cooperation, which at the same time is carefully concealed from the public, of mighty political and economic forces in the United States with the allies and partners in the organs of the media. This important component of the interrelations of the mass media and business circles was virtually not covered in the book in question. On the contrary, an oversimplified scheme, which is traditional for bourgeois ideology and reduces to the assertion of the freedom and independence of the press, radio and television, which criticize, at times groundlessly, the shortcomings in the activity of business, shows through the content of all the statements, while the business circles, which have not mastered the art of getting on with journalists and show suspiciousness and distrust toward them, thereby arouse a negative attitude toward themselves on the part of the mass media. In conformity with this concept many journalists and publishers in Princeton often referred to the First Amendment of the U.S. Constitution on the freedom of speech and the press. As one publisher proclaimed, "the press is the only private institution in our country, which has constitutional privilege" (p XIX). Such ideological cliches about the "freedom" of the organs of the media in the United States are called upon to veil and distort their real social function. No matter how critical the direction of some materials of the bourgeois press with respect to the monopolies might be, the organs of the media never transgress the ideological limits set by the system of private business, of which they are the loyal apologists and advocates. At the same time the bourgeois press, by using the tactic of the "conspiracy of silence," is constantly hindering the extensive publicity of the demands of the progressive democratic forces of the country about the elimination of the absolute power of the monopolies.

It is also significant that the fundamental issue that the complicated, contradictory cooperation of big business and the big press is governed by the class nature of the capitalist system was carefully avoided at the conference in Princeton, which was held by representatives of the U.S. ruling elite. At present the leading American newspapers, television and radio stations are also, as is known, a big business. They are major corporations with revenues in the millions, are closely connected with many banks and companies, invest their money in them and recruit their representatives for their own boards. The financial status of such giants of the radio, television and newspaper industry as Time, Incorporated, THE WASHINGTON POST, CBS and others, to a large extent depends on the sizeable sums which they receive by advertising various goods. In turn the companies which produce these goods are also interested in close cooperation with the mass media, since the effectiveness of newspaper and television advertizing directly influences profits. Influential newspapers and television companies also have ramified and stable ties in Congress, in the agencies of the Federal Government and in the party machines, while political figures strive to use the mass media to achieve their own goals. Finally, the organs of the press, radio and television are active parties to the competitive struggle among various groups of business circles. This entire set of factors leaves the greatest mark on the interrelations of American business and the mass media in the United States, which are not "free" and "independent" of bourgeois relations, but, on the contrary, are closely connected with monopoly capital.

This interdependence is of a complex and contradictory nature. Thus, J. Ferguson, chairman of the board of directors of the large company, General Foods Corporation, reflecting the prevailing position in U.S. business circles, stated that the press is "hostile to the business community and all its activity" (p XII). Such a position reveals the political conservatism of business: the monopolies repudiate the relative independence of the organs of the media, which have been compelled to a certain extent to take into account and reflect public reaction to the arbitrariness of the monopolies, and at the same time, being an integral part of the system of political power of the ruling class, to perform the role of "spotters" of the actions of business, which might lead to too serious an aggravation of social conflicts. However, many representatives of monopoly capital are clearly gravitating toward the restriction of bourgeois democratic freedoms and toward greater control over the mass media. Precisely for this reason H. Simons and J. Califano single out as one of the decisive factors in the interrelations of business circles and the mass media the frequent lack of access of journalists to many actions of companies in the sphere of business undertakings, in which the "sacred" principle of private property, which reliably conceals commercial secrets, prevails. As is noted in the book, many companies "take earnest action against the organs of the media in their aspiration to give the public information about business, which has a serious influence on world events" (p XVIII).

It is noteworthy that in the book the principle of confidentiality is irreproachably observed: the subjects of criticism are represented by such designations as "businessman," "journalist," "government representative" and so forth. The secret nature of the discussions enabled influential business circles, leading publishers and journalists, as well as officials to conceal from the public the true nature of what is happening in the "kitchen" of the publishing and television business in the United States.

Strategic Planning and Policy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80
pp 117-119

/Review by G. B. Kochetkov of the book "Strategic Planning and Policy" by W. King and D. Cleland, New York, Van Nostrand Reinhold Company, 1978, X+374 pages/

/Text/ One of the central problems of the management of American firms is the search for ways to coordinate more closely the operation of the numerous departments and branches of the complicated economic complex, such as the modern corporation is, and its adaptation to rapidly changing external conditions. The solution of this problem now not only depends on the effectiveness of the system of intrafirm management, but also requires the study of the characteristics of the external environment (the conditions of competition, the main trends of scientific and technical progress and so forth). The domination of capitalist chaos and the anarchy of social production make this problem difficult to solve even with the maximum utilization of modern economic-mathematical methods and electronic computer means of gathering, processing and transmitting data.

The increase of attention toward the strategic aspects of administrative activity is a characteristic feature of American management of the 1970's. This trend has become the subject of numerous studies, one of which is the book being reviewed by systems analysis specialists William King and David Cleland, professors of the University of Pittsburgh, who are well known to the Soviet reader owing to the translation of their book "Systems Analysis and Project Management" ("Sovetskoye radio", 1974).

In their new work the authors develop the concept of the "future-oriented corporation," which has already become widespread among American management theoreticians. However, as often happens, the practice of introducing management innovations lags considerably behind theoretical studies. The book under review is called upon to bridge this gap and to show rank and file managers, for whom it is first of all intended, how strategic planning and management are carried out at "the most advanced corporations."

The authors set forth a number of new interpretations and approaches to strategic planning. First of all in the book an attempt is made to distinguish between long-range and strategic planning. For example, a papermaking company, on the plots of which a forest grows for 30 years until it is completely ready, should have without fail long-range plans intended for not less than this period (p 5).

Strategic planning, it is noted in the book, "involves first of all the development of organizational effort, which is aimed at the identification of the goal of the organization, the direction of its development and a list of promising goods and services, as well as the formulation of the policy of introduction, by means of which the goals and aims of the organization could be achieved" (p 6).

The long work experience of management consultants in government and business enabled the authors to cast doubt on a number of concepts which have become fixed in special literature. This pertains, in particular, to the prevalent thesis about the "separation of strategy from tactics," which is embodied organizationally in the creation of ultraspecialized planning departments. Without belittling the importance of this process for the creation of planning systems in corporations, W. King and D. Cleland convincingly demonstrate its inadequacy in their book. Professional planners merely promote the emergence of the planning process and ensure its effectiveness, but they cannot carry out strategic planning themselves in the organization--this is one of the central theses of the book. "Planning should be carried out by those managers who will then be responsible for the fulfillment of the plans," the authors of the book conclude (p 23). From this position, by using the method of systems analysis, W. King and D. Cleland examine strategic planning, illustrating their conclusions with examples from the practice of such leading firms as General Electric, Westinghouse and others.

"The goal of the planning process," the authors write, "is the establishment of the direction of development, the aims, the strategies, the programs and the allocation of the resources which would enable the organization to best cope with an uncertain future" (p 45). Here the general direction of the development of the firm is determined, and alternate strategies to achieve the main organizational goals are formulated within it. The programs and projects function as the means of the planning and management of individual types of activity within the chosen strategy and make it possible to establish quantitative measures of efficiency. The set of aims, strategies and programs should constitute an interconnected system, which is regarded in the book as the "output" of the planning process. Here the formulation of the general line and system of goals is the highest, most important and least comprehensible level of strategic planning. The authors are forced to admit that for many companies the words, in which their aims are expressed, often differ from the deeds. The allusion to the fact that organizations easily lose their general direction of development, if there are too many goals, and the periodic discussion of the prospects of development, in which as wide a range of staff members as possible should be involved, is necessary (p 159), does not clear up the situation which has formed. In reality companies easily reject their own long-range and strategic goals and revise them, if the latter contradict the principle of maximizing the profit--the highest goal of any capitalist company.

In analyzing the methodology of strategic planning as such, the authors stress that the entire process of compiling a strategic plan is aimed at the identification and establishment of the possibility of the utilization of factors which are external with respect to the given firm (the conditions of competition, the general trends of business development, including in the sectors which have direct contact with the activity of the firm, the main changes in the environment, resources and so on). But at the same time the analysis of the internal strong and weak aspects of organization and management in the firm itself occupies an important place.

W. King and D. Cleland consider the making of a "strategic choice" to be the central link of the entire process of strategic planning. "Organizations," they write, "can constantly check their goals and general direction, but under normal conditions they do not make frequent and significant changes in them. Some companies maintain one line of general development for decades, while the majority of companies change their aims no more often than once a decade. Therefore, as compared with the determination of the general direction and the formulation of the goals, the strategic choice is the most important type of activity, which leads to significant and constant changes" (p 163).

The process of strategic planning concludes with the allocation of resources. In analyzing such well-known systems as planning-programming-budgeting (PPB), management by objectives (MBO), program evaluation, zero-base budgeting (ZBB), the authors note, in particular, that the system of ZBB, which is being extensively boosted by the Carter Administration, requires very large expenditures on its introduction, but at the same time the effectiveness of its use, especially in strategic planning, has not yet been confirmed by practice (p 214).

W. King and D. Cleland devote considerable space to the examination of the processes of information supply. They come to the conclusion that the management of firms needs the information, which is necessary for strategic planning, in their everyday activity, therefore a special system of information supply is necessary for the effective performance of this function. An enthusiasm for the creation of automated management information systems, which are designed for day-to-day monitoring of resources, has been observed in the United States in recent years. The authors regard this process as a necessary stage on the path of the conversion to the creation of automated strategic data processing systems, although the system of strategic planning cannot be automated to the same extent as systems of operational management.

The book concludes with an examination of the organizational prerequisites of strategic planning. It is emphasized that strategic planning always leads to changes and innovations. Therefore, only a highly adaptive organizational structure is capable of effectively realizing the planning process, in which the managers of all levels and ranks, and first of all the line managers of the lowest level, should be involved.

The authors introduce the concept "organizational structure" as one of the central characteristics which determine the behavior of a person in the organization. "The success of long-term planning in the organization is less sensitive to the specific nature of the planning methods which are used here than to the general culture within which the planning is carried out" (p 273).

Several versions of strategic management have been developed in the United States. In the book the experience of setting up "strategic business units" at General Electric and Westinghouse Electric is examined as the most successful example (pp 299-300).

The publication of the book of W. King and D. Cleland under the conditions, when many theoretists of American management have begun to cast doubt on the value of the use of systems concepts in management, is very significant. Using the example of the solution of strategic planning problems, which are very pressing for U.S. corporations, the authors convincingly showed the fruitfulness of systems principles and their great effectiveness in the solution of specific problems.

American Scientific Institutions

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80 pp 119-120

/Review by A. Ya. Bulovinova of the book "Formirovaniye i osobennosti seti nauchnykh uchrezhdeniy SShA" (The Formation and Peculiarities of the System of U.S. Scientific Institutions) by O. A. Aleksandovskaya, Moscow, "Nauka", 1979, 205 pages/

/Text/ The study gives a complete idea of the structure of the scientific system and the main stages of its formation in the United States, which has highly organized production and a developed scientific research base. The author examines in detail the organization of research activity in government departments and at "nonprofit" research organizations, in industry and at higher educational institutions.

The author divides all the institutions forming the U.S. scientific system into three basic groups: those which engage mainly or primarily in basic theoretical research; those which conduct mainly or primarily applied research and development; institutions of the mixed type, at which both basic and applied research and development are conducted. The leading role in basic theoretical research belongs to universities and the scientific institutions under their jurisdiction.

In the work it is noted that for all the diversity of types of research organizations the U.S. scientific system is notable for a high concentration of centers and laboratories, research programs and personnel, which is governed by the processes of concentration, which are taking place in the economy, on the one hand, and by the laws of the development of modern science, on the other. The majority of the research and development is concentrated at major companies and corporations. The spending of the 100 largest U.S. companies constitutes more than 70 percent of all the expenditures of private companies on science.

The analysis of American higher educational institutions as the most important scientific research institutions and the classification of higher educational institutions, which is cited in the book, are interesting (p 113).

The author cites a classification of higher educational institutions, from which it is evident that universities, while making up only 10 percent of of all the higher educational institutions of the country, are the centers of science in the United States (p 115). In the group of leading American higher educational institutions 20 "super" higher educational institutions are distinguished, which conduct a third of all the scientific work being performed in the system of the higher school (Table 12, p 124).

The examination of the spatial concentration of the scientific system on the territory of the country as a whole is of great interest.

NATO Military Threat

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80 p 120

/Review by V. A. Mazing of the book "SShA i NATO: istochniki voyennoy ugrozi" (The United States and NATO: Sources of a Military Threat) by N. F. Petrov, N. I. Sokolov, P. P. Katin and I. V. Vladimirov, Moscow, Voyenizdat, 1979, 254 pages/

/Text/ The military policy of the United States--the leading power of NATO in the period after World War II--is examined in the work.

The authors convincingly show that the achievements of the world socialist community, the growth of the national liberation movement and the intensification of the external and internal contradictions of capitalism have a direct influence on its evolution. At the same time U.S. military policy of the 1970's, as is justly noted in the monograph, continues to bear the burden of unrealistic military notions and hegemonistic illusions (p 75).

The authors analyze in adequate detail the military policy of the United States and its NATO allies in different regions of the world: Western Europe, Asia, Latin America, Africa, the Indian Ocean region, the Near and Middle East. It is emphasized, in particular, that "characteristic of this policy in the 1970's are the attempts to promote the bloc strategy" and "to use conflict situations in the developing countries for their own goals" (pp 62, 157). In the book a description of the armies of the NATO member countries is given and the aggressive essence of the tasks facing them is revealed.

7807
CSO: 1803

THE UNITED STATES GEOLOGICAL SURVEY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 80 pp 121-127

/Article by B. P. Sitnikov/

/Not translated by JPRS/

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1980

CSO: 1803 -END-

SELECTIVE LIST OF JPRS SERIAL REPORTS

USSR SERIAL REPORTS (GENERAL)

USSR REPORT: Agriculture
USSR REPORT: Economic Affairs
USSR REPORT: Construction and Equipment
USSR REPORT: Military Affairs
USSR REPORT: Political and Sociological Affairs
USSR REPORT: Energy
USSR REPORT: International Economic Relations
USSR REPORT: Consumer Goods and Domestic Trade
USSR REPORT: Human Resources
USSR REPORT: Transportation
USSR REPORT: Translations from KOMMUNIST*
USSR REPORT: PROBLEMS OF THE FAR EAST*
USSR REPORT: SOCIOLOGICAL STUDIES*
USSR REPORT: USA: ECONOMICS, POLITICS, IDEOLOGY*

USSR SERIAL REPORTS (SCIENTIFIC AND TECHNICAL)

USSR REPORT: Life Sciences: Biomedical and Behavioral Sciences
USSR REPORT: Life Sciences: Effects of Nonionizing Electromagnetic Radiation
USSR REPORT: Life Sciences: Agrotechnology and Food Resources
USSR REPORT: Chemistry
USSR REPORT: Cybernetics, Computers and Automation Technology
USSR REPORT: Electronics and Electrical Engineering
USSR REPORT: Engineering and Equipment
USSR REPORT: Earth Sciences
USSR REPORT: Space
USSR REPORT: Materials Science and Metallurgy
USSR REPORT: Physics and Mathematics
USSR REPORT: SPACE BIOLOGY AND AEROSPACE MEDICINE*

WORLDWIDE SERIAL REPORTS

WORLDWIDE REPORT: Environmental Quality
WORLDWIDE REPORT: Epidemiology
WORLDWIDE REPORT: Law of the Sea
WORLDWIDE REPORT: Nuclear Development and Proliferation
WORLDWIDE REPORT: Telecommunications Policy, Research and Development

*Cover-to-cover

JPRS 75772

27 May 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 3, March 1980

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

JPRS 75772

27 May 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 3, March 1980

Translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

Washington and Problems of World Stability
(N. D. Turkatenko) 1

Behind the Facade of Nuclear "Modernization"
(V. S. Shein) 5

An Effective Barrier to the Spread of Nuclear Weapons
(K. P. Borisov) 19

The Evolution of Canadian Military Policy
(S. F. Molochkov) 32

Women's Equality: The Seventies in Review
(Ye. N. Yershova) 49

A Contradictory Decade (Trends in American Literature and Art)*
(A. S. Mulyarchik) 60

The Tories and Washington: Revival of the "Special Relationship"
(V. F. Davydov) 61

New Washington Government Department
(Ye. P. Ionova) 68

Export Controls in Trade with the East
(T. V. Kobushko) 74

Problems and Contradictions of U.S. Domestic Food Policy*
(V. N. Dem'yanenko) 82

---

* Not translated by JPRS.

CONTENTS (Continued)

Page

Automation in the Engineering Industry*
(Yu. A. Savinov).. 83

The Congress in 1979
(V. A. Savel'yev).. 84

The Powers That Be*
(David Halberstam).. 91

The Civil Service Reform
(A. N. Isayenko).. 92

Book Reviews
SALT and Military Research, by V. V. Potashov............... 101
Overpopulation and Other Global Issues, by G. S. Khozin..... 103
Report on U.S.-China Relations, by A. A. Nagornyy........... 107
International Information Exchange, by A. B. Pankin......... 110

United States Civil Defense
(V. S. Frolov).. 112

---

* Not translated by JPRS.

PUBLICATION DATA

English title	: USA: ECONOMICS, POLITICS, IDEOLOGY No 3, March 1980
Russian title	: SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA
Author (s)	:
Editor (s)	: N. D. Turkatenko
Publishing House	: Izdatel'stvo Nauka
Place of Publication	: Moscow
Date of Publication	: March 1980
Signed to press	: 12 February 1980
Copies	: 38,000
COPYRIGHT	: Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1980

WASHINGTON AND PROBLEMS OF WORLD STABILITY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 3-5

[Article by N. D. Turkatenko]

[Text] The course the U.S. Administration has taken, toward reviving the policy of strength on a global scale and toward an arms buildup truly fantastic in its pace and dimensions, is arousing growing concern throughout the world. This course, as is well known, was reasserted as the general direction in Washington's domestic and foreign policy in President J. Carter's January "State of the Union" message to Congress.

In an attempt to justify this course, top representatives of the administration, including the President himself, and very influential organizations like the Committee on the Present Danger, all of whose members are associated with the military-industrial complex, are vigorously reviving the myth of the "Soviet military threat." Waves of hysteria are spreading far beyond the bounds of Washington and are overwhelming American cities and towns.

The myth of the "Soviet military threat" is a very crudely developed "argument." It is intended for "mass consumption," for stunning and intimidating the American public--partly with a view to distracting their attention in election year from domestic problems which grew worse every day and making them forget the promises given so generously by J. Carter during his 1976 presidential election campaign and in the first months of his presidency, which have remained unfulfilled.

Slightly more refined "arguments" are used for influencing the "intellectual elite" in the United States and in allied countries. Among them are, first and foremost, reasonings on stability and instability in the world and on what factors strengthen or undermine this stability.

Let us stipulate at once that reasonings on the need to maintain and strengthen stability in the world and on the direct interconnection and interdependence between the level of world stability and the firmness of international security in general, and U.S. security in particular, are far from new. Such reasonings began to be circulated very widely by American political scientists and officials immediately after the present administration came to power. Let us recall, for instance, that as soon as Z. Brzezinski was appointed to the post of the President's national security adviser, without waiting for J. Carter to take office as President, he published an article in the journal SURVEY in late 1976 entitled "Observations on East-West Relations," in which the theme of stability was probably the main theme. It included calls--true, with stipulations so as to insure advantages for the United States above all--for greater stability both in USSR-U.S. relations and in relations between the United States Western European countries and Japan and in "North-South" relations.

You would not think that anyone could be in any doubt about the simple truth that in order to strengthen stability in the world as a whole or in individual regions it is necessary to take into account the real situation and the interests of all sides and to proceed on the basis of the inevitability and correctness of positive changes, at the same time doing the utmost to promote the deepening of detente, the resolution of the most acute problems and, above all, the just settlement of crisis situations.

However, as soon as the present administration had come to power, waverings and zigzags began to be observed in its policy. It eventually became clear that despite all assurances of concern for detente and stability and despite constitutional steps previously taken in that direction, Washington had adopted a course of refusing to participate effectively in the quest for ways of deepening detente and, therefore, consolidating stability. As for the concept of "stability" itself, in order to provide a propaganda foundation for its risky course, the Washington administration began--when it was convenient--to identify that concept with the social "status quo," hoping thereby to halt the erosion of "America's leading role" in world affairs. These calculations, made under pressure from the military-industrial complex and the political "hawks," amounted in general terms to emphasizing, under the pretext of concern for stability, the "U.S. recovery from the Vietnam syndrome" and the buildup of military might and to trying to turn the objective process of change in the world in a direction necessary and advantageous to U.S. imperialism.

All of this was accompanied by accusations against the Soviet Union, which has allegedly been using detente for its own expansion in the world and in order to undermine stability.

Washington's policy in the Near Eastern, Middle Eastern and South Asian region, which has been called a sphere of U.S."vital interests" and comprises the most important part of the so-called "crescent of crisis"--that favorite product of Z. Brzezinski's theoretical thought--has been and remains highly indicative on this plane.

Let us turn to the "Iranian problem." While the shah sat on the throne in Iran, while the Pentagon, the CIA and the military-industrial oil and other monopolies bossed the show there, while the shah was investing billions of "petrodollars" in U.S. arms and U.S. banks, the situation there, Washington asserted, was the most stable in the entire region. Washington propped up the shah until the actual moment of the explosion. Was it thus concerned for stability? No. It was concerned to preserve the "status quo," to continue to pump Iranian oil on terms as profitable as possible to the United States, to insure that the shah's regime continued to play its assigned role of gendarme for the entire region, and to insure that the United States would continue to be able to keep its army military specialists and "advisers"--numbering many thousands--at the USSR's southern borders.

Or take the "Afghan question." While the dictatorial feudal regime was in power in Afghanistan, while the CIA believed there were chances of reinforcing the power of Amin's dictatorial grouping, while the United States, acting via the Afghan-Pakistani border, was able to interfere in events in Afghanistan, Washington did not consider the situation there to be critical. Was it concerned for true stability? No. Washington was concerned to preserve "for the time being" the "status quo" in order to create conditions for deviating from it, but in accordance with the "Chilean model."

Nor does the present "pumping" of arms into Pakistan, a country where a regime which has killed or imprisoned tens of thousands of people is in power, accord with the proclaimed concern for the consolidation of stability in the region. In this, as in many other cases, Washington does not care about the "defense of human rights," and still less about true stability.

And provocative steps like cobbling together and arming gangs of counterrevolutionaries entrenched in Pakistan and the plans to create, with Beijing, a new anti-Soviet bridgehead on the USSR's southern borders do not accord at all with the proclaimed concern for the consolidation of stability.

As soon as prospects for real and firm stabilization began to emerge on these sectors of the "crescent of crisis" after the overthrow of the shah in Iran and as a result of the successes of the Afghan revolution, Washington set about acting with a view to filling some "vacuum." A powerful--and, moreover, nuclear--naval force was concentrated off Iran's shores and "simultaneously" throughout the entire oil-bearing Persian Gulf region. This force was brought in to introduce "stability" American-style into the situation: to reestablish control over Iran and to hold in check the peoples of other countries of the oil-bearing region.

These steps cannot fail to intensify the danger of a new flare-up and that means they cannot fail to undermine stability to an even greater degree.

To a no lesser degree, U.S. actions like the cobbling together of the Israel-Egypt alliance, the export of more and more armaments--literally mountains of them--to the region and plans for the creation of new military alliances and bases have long, and in a pre-planned manner, been undermining stability in the region--if it is at all possible to use the term "stability" to describe the situation which exists there.

Strictly speaking, there is nothing fundamentally new in this course of Washington's. This is clear if only from the admissions appearing in the United States itself. Back in 1975 a group of eminent U.S. political scientists who collaborated on the anthology "The Soviet Union in the 70's and Subsequent Years" came to the conclusion that tension (let us emphasize, tension and not stability) in the Near and Middle East has always been mainly the result of the United States' interference and its desire to create a system of alliances and pacts of an anti-Soviet nature along the Soviet Union's southern borders.

All the main elements of this course of Washington's can also be clearly traced on other sectors of the "crescent of crisis," in Africa for instance.

Washington's actions, which destabilize the entire international situation, extend far beyond the limits of the "crescent." The present administration has openly proclaimed its intention to violate the existing strategic balance between the USSR and the United States, dreaming of attaining military superiority--a course which has already led to the virtual renunciation of a stabilizing factor like SALT II. A grave blow has been dealt to stability in Europe as a result of the program of nuclear "arms upgrading" imposed by Washington on its allies.

This course is closely linked with Washington's playing of the "Chinese card," which also in no way promotes the consolidation of stability in the world. What concerns are there here for stability if Washington is acting in unison with Beijing, which comes out with territorial claims against all neighboring countries, pursues a hegemonistic course throughout the world and lightly embarks on acts of armed aggression against its neighbors?

The destabilizing effect of Washington's actions is now extended to virtually all spheres of international life: from sports (attempts to wreck the Olympic games in Moscow) to the entire system of international law (the violation or rejection of existing commitments and contracts already signed, pressure on allies with a view to forcing them to embark on the violation of international commitments).

Such is the dangerous destabilizing influence of Washington's actions in the world. It is all the more dangerous in that it is the leadership of a large influential power, from which people have the right to expect a considered and responsible policy, which is behaving thus.

8588
CSO: 1803

BEHIND THE FACADE OF NUCLEAR 'MODERNIZATION'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 6-16

[Article by V. S. Shein]

[Text] The situation in Europe today is greatly worrying the international public. The state of affairs on the European continent is being debated throughout the world. The central issue in these debates is the set of plans for so-called nuclear "modernization" adopted by the North Atlantic bloc and the alternative proposals set forth by General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev in the fall of 1979. These proposals have been reasserted several times since then, but they have been rejected outright by the Western powers, most recently at last December's session of the NATO Council.

We should recall that the proposals of the USSR and other Warsaw Pact countries were aimed at progress in the resolution of all problems connected with military detente and arms limitation in Europe, including those pertaining to medium-range nuclear missiles. On 6 October of last year, the Soviet Union announced its willingness to reduce the number of medium-range devices now deployed in western regions of the USSR if no additional devices of this type would be deployed in Western Europe. The Soviet Union proposed the commencement of negotiations to settle the matter of this type of weapon. "The Soviet Union," L. I. Brezhnev said in response to the questions of a PRAVDA correspondent, "believes that these should begin as soon as possible. We are ready for this. Everything now depends on the Western countries."[1]

The socialist states have cautioned NATO against reckless actions which could complicate the situation and interfere with the attainment of positive results. "The chances of attaining these results would be greater if no decisions regarding the production and deployment of these devices in Western Europe were to be made prior to the end of the negotiations. Conversely, these chances will be undermined if such decisions are made in NATO."[2] This applied primarily to the intention of NATO executive bodies to make a decision on the production and deployment in Western Europe of U.S. Pershing 2 ballistic missiles and land-based cruise missiles.

In spite of all warnings, however, this decision was made. The plan calls for the deployment of 108 launching sites for Pershing 2 missiles with a range of 1,800 kilometers and 464 winged missiles with a range of 2,500 kilometers on the European continent. According to representatives of the United States and NATO, this will "modernize" the bloc's nuclear arsenal in the European theater. In fact, however, the systems to be deployed in Western Europe, beginning with England, the FRG and Italy, will be qualitatively new and have no equivalent in the North Atlantic bloc's present arsenal. These American systems will be located near the Soviet border and will therefore be capable of destroying targets on Soviet territory, thereby serving the United States as strategic weapons.

The NATO leaders have actually ignored not only the views of the states of the socialist community, but also the strong opposition to the plans for the nuclear "upgrading" of the North Atlantic bloc in their own camp. The scales of this opposition are attested to by the fact that objections have been heard not only from mass public organizations, tens of thousands of participants in demonstrations and protest marches, and prominent statesmen and politicians, but also from entire countries. Holland, Belgium, Denmark and Norway have tried to convince the United States of the need to postpone any decisions regarding the deployment of new U.S. missiles in Western Europe and to begin negotiating with the USSR as soon as possible on the reduction of medium-range nuclear missiles by both sides. At the December session of the NATO Council in 1979, these countries either did not support the aforementioned decision or only supported it on certain conditions. Moreover, some other members of the bloc agreed to support the U.S. plans only as a result of massive pressure exerted by Washington.

The refusal of NATO to listen to these socialist initiatives of historic significance gave rise to new and extremely complex problems in East-West relations, which will have an unquestionably negative effect on the political climate in Europe and the rest of the world and will undermine all efforts to curb the arms race. The scales of this negative effect are much greater than they might appear at first glance--or at any rate, greater than they appear to some Western European politicians who have declared their approval of negotiations (but only after the "upgrading") and who do not see, or pretend not to see, what lies behind the American proposals, what goals Washington is pursuing and what effect the implementation of these plans could have.

The Logic of 'Atlanticism'

It would be useful to preface the discussion of the specific features of the present U.S. Administration's policy in Europe and its interrelations with NATO allies with a look at the propagandistic forms used to disguise Washington's line of nuclear "modernization" in the North Atlantic bloc. There are a number of these forms, and each has its own corresponding "argument" in favor of American initiatives. These are supposed to convince the public, political parties and organizations, parliaments, the mass media and so on that the deployment of the new U.S. missiles in Western Europe is "absolutely necessary."

The main "argument" used in this connection is the implication that NATO must "respond" to the allegedly existing "Soviet military threat" to the West. This "argument" is absolutely false and thoroughly hackneyed, but it is being presented from a new perspective. This time, the claim is that the Atlantic powers are being "threatened" by the situation in the sphere of medium-range nuclear missile systems. Emphasis is being placed on the so-called "asymmetry" of nuclear forces in the European theater, the reason for which, according to the claims of NATO strategists, consists primarily in the Soviet Union's new medium-range missiles and bombers (called the "SS-20" and "Backfire" respectively in the West).

A good deal of the discussion has centered around the missiles. They are supposedly quite dangerous, as they are modern, mobile, accurate and capable of destroying targets anywhere in Western Europe. The deployment of these Soviet missiles was depicted in the NATO countries as the reason for the "destabilization" of conditions on the "Eurostrategic" level, demanding an immediate response from the North Atlantic bloc.

In fact, and this has been explained by reliable sources in the USSR, the Soviet Union is improving its existing types of missiles. The SS-20 missiles, which are being added to armament supplies during the course of the present modernization, are intended to replace the old types of medium-range missiles. The Soviet Union's defensive measures are not in any way intended to violate the approximate power equilibrium between the USSR and the United States or between the Warsaw Pact and NATO. As L. I. Brezhnev stressed in a speech in Berlin, the number of medium-range nuclear missile carriers in the European half of the Soviet Union has not increased by a single missile or a single plane in the last 10 years. On the contrary, the number of medium-range missile launching devices, just as the nuclear blast power of these missiles, has even decreased somewhat. The number of medium-range bombers has also decreased.[3]

The proposals of the USSR, supported by all members of the Warsaw Pact organization, dealt a crushing blow to the attempts to substantiate the line of "upgrading" NATO with new American missiles and demonstrated the total lack of grounds for turning Western Europe into a launching pad for new American nuclear weapons intended to deliver strikes on Soviet territory.

It must be said that Western Europe is far from defenseless, as the Atlanticists often argue. A quite sizeable arsenal of nuclear missile systems is concentrated here: around 1,500 units of forward-based U.S. devices and corresponding national devices of Great Britain and France, capable of reaching Soviet territory.

American President J. Carter and Secretary of State C. Vance have publicly confirmed the existence of East-West parity, particularly in Europe. These admissions were completely "forgotten," however, when the time came to propagandize American plans for the nuclear "upgrading" of NATO.

The fact that the thesis regarding the "violation of parity" is an absolute lie serving to justify the plans of the United States and the North Atlantic bloc has been corroborated by numerous statements by various Western military experts. In particular, it is widely known that the appearance of Soviet medium-range systems long ago was a result of the deployment of American forward-based systems in the Western European NATO countries, as well as the existence of English and French nuclear devices capable of reaching the territory of the USSR.

The conclusions reached by the International Institute of Strategic Studies in London with respect to the nuclear balance of power on the European continent had great repercussions in the West. A handbook published by this institute, "Military Balance 1979/80," notes that if the differing technical characteristics of corresponding systems are taken into account, "something extremely close to parity now exists between the nuclear forces of the NATO and Warsaw Pact theaters of combat."[4] According to the institute, the mass-scale shuffling of quantitative data would be required to "prove" the existence of any kind of discrepancies.

This statement is not the only one of its kind. In particular, Chairman K. de Vries of the defense commission of the Dutch Parliament's Second Chamber believes that it is quite debatable as to whether the new Soviet medium-range systems represent the kind of step forward in this area that would require a response from the West. In an article printed in FOREIGN AFFAIRS, G. Treverton says that the deployment of the SS-20 missile did not engender any qualitatively new "threat" to the NATO countries.[5] Prominent U.S. and Western European experts on "gray zone" weapons (this is what the medium-range nuclear missile systems are sometimes called in the West) P. Doty and R. Metzger feel that "existing medium-range nuclear missile forces in the West, along with the central strategic arsenal of the United States, meet the requirements of containment both on the level of the European theater and on the intercontinental level."[6]

Some Western researchers have pointed out that all of the different Atlantic strategists who make these alarmist statements are actually ignoring NATO's possession of 48-60, and perhaps even more, Poseidon missiles with multiple warheads (each missile has up to 10 warheads), deployed on U.S. submarines, the targets for which are set by the command of the united NATO armed forces in Europe. In the opinion of P. Doty and R. Metzger, these missiles are a more "stable" and, consequently, more reliable instrument of "containment," although they are a less noticeable manifestation of American "nuclear guarantees" for Western Europe.[7] As for the "inaccuracy" of the Poseidon missiles, which, according to some advocates of the "rearmament" of NATO, cannot guarantee a reliable counterforce (that is, against military targets) response to a counterforce attack, here they deliberately "forget" the constant improvement of such systems, including the heightening of their accuracy. They rarely remember, and more frequently "forget," about programs for the deployment of Trident submarines, as well as about the fact that the nuclear weapons of Great Britain and France, which already represent a tangible force, will be perfected in the future, and that the United States, which already has a powerful grouping of forward-based nuclear systems in Europe, is capable of quickly moving several hundred additional aircraft to Western Europe, suitable for nuclear missions, not to mention probable manipulations with submarines and surface ships carrying nuclear weapons.

Statements about the Soviet "nuclear superiority" in the European theater are refuted by the facts, but these are usually hushed up in the West. Politicians and statesmen in the NATO countries are more aware than anyone else of these facts. If this is the case, why do they support the American plans for the "rearmament" of the North Atlantic bloc, which are depicted as a "response to the mounting Soviet threat"?

Apparently, this is partially due to Washington's overt use of the most flagrant blackmail to influence its allies. One of the elements of this blackmail was the frank speculation over the question of the so-called nuclear guarantees of the United States to Western European NATO members. Correspondingly, the line of deploying American medium-range missiles in Western Europe was disguised as concern about the stability of U.S.-Western European cooperation within NATO, including cooperation in the nuclear sphere. Progress in the Soviet-American talks on the limitation of strategic offensive weapons was cynically used for this purpose: As soon as advances were made in these talks, representatives of U.S. ruling circles began to spread the idea, which became quite popular in Western Europe, that the achievement of approximate strategic parity between the Soviet Union and the United States had "eroded" and "undermined" American obligations to "defend" the NATO countries with the aid of U.S. strategic nuclear weapons.

Naturally, discussions by Washington representatives about the "devaluation" of U.S. "nuclear guarantees" were not conducted on the official level. Officially, these "guarantees" were reaffirmed from time to time, although this reaffirmation often did not sound very convincing because it was accompanied by contrary unofficial statements by figures known in Western Europe. The greatest stir was caused by the statements of former U.S. Secretary of State H. Kissinger, including his address at the conference on "NATO in the Next 30 Years" in Brussels last fall.

With the reputation of a man who knows "what's what" and with the pretense of sincerity, H. Kissinger unequivocally announced that in the event of Soviet-American strategic parity, the allies would not be able to expect "protection" from U.S. "central systems," the use of which would make America the target of a retaliatory strike. Declaring that the NATO countries are allegedly lagging behind in each significant military category, with the possible exception of naval forces, Kissinger frightened his audience with the prospect of the annihilation of the Western European people if they should refuse to make their territory available for the deployment of new medium-range American missiles.[8]

The Pershing 2 missiles and land-based winged missiles are intended, Washington officials underscore, to become a means of implementing NATO's present military doctrine--the doctrine of "flexible response"--by providing the "missing rung" in the "ladder of armed conflict escalation," a "rung" which has supposedly become "absolutely essential" to the North Atlantic bloc as a result of progress in the strategic arms limitation talks and the modernization of Soviet medium-range nuclear missile systems The idea that additional middle-range nuclear devices, intended for the delivery of strikes on Soviet territory, should be brought into Western Europe is being propagandized as a contribution to stronger "deterrents" and as a blessing for the people of Europe, since the use of "Eurostrategic" systems would supposedly postpone the impending world catastrophe inherent in the use of Soviet and U.S. strategic forces and would increase the chance that a possible conflict in Europe could be stopped at some "intermediate level."

There is no question that the main force advocating the deployment of new U.S. missiles on the European continent is the United States. The U.S. President's special adviser on national security affairs, Z. Brzezinski, who is actively promoting his own notorious ideas, assigns, according to the testimony of West Germany's DIE ZEIT, the decision to deploy these missiles "as much historic significance as the strategic air command created by the Truman Administration and the intercontinental missiles adopted for use by the Kennedy Administration."[9]

Nonetheless, even in Western Europe there are forces that are more or less enthusiastically supporting Washington's initiatives. Judging by the results of the latest NATO Council session, these forces have considerable influence, although their motives are not always clear--considerations of class solidarity, fear of a continued increase in centrifugal tendencies in the Atlantic camp, the hope that the possible consequences of the line approved in December 1979 will be of benefit, if not soon then in the more distant future, particularly in the area of decision-making on questions of nuclear policy, or some other motives. Verbally, the majority of Western European leaders who approve of the missile deployment proposed by Washington assert, as has already been pointed out, that they regard the corresponding NATO decisions as stimuli for the resumption of arms control talks with the socialist countries, although these assertions contradict elementary logic.

Those who eagerly took up the argument regarding the diminished reliability of U.S. "nuclear guarantees" included FRG Chancellor H. Schmidt. In his widely publicized speech in the International Institute of Strategic Studies in London in October 1977, he aroused doubts in U.S. commitments with respect to the use of American strategic forces in the interests of

Western Europe, in view of the fact that these commitments, in his words, had been undermined by Soviet-U.S. strategic parity. He called for the establishment of parity, which supposedly does not exist as yet, with the Soviet Union on two other levels of the NATO "Triad"--in the areas of conventional weapons and combat theater nuclear forces--with a view to maintaining "stability and deterrents" in Europe. Schmidt also vigorously supported the idea of building up medium-range nuclear missile systems within the territory of the Western European countries party to the North Atlantic Alliance.

Schmidt's speech in London was interpreted in different ways in the West. In particular, some saw this as an attempt to propose a course which would lead to the strategic "separation" of the United States and Western Europe, or--proceeding from the assumption that this "separation" has already taken place as a result of the achievement of Soviet-U.S. strategic parity--would urge the United States' present allies to take steps toward the creation of potential "self-defense," naturally, nuclear and, naturally, with the FRG playing an active role in the process.

West German politicians later had to do much to "amend" Schmidt's speech and to prove that Schmidt favored--and this was all--stronger combat theater nuclear forces, and not separation or the FRG's gradual renunciation of the status of a non-nuclear power.

None of this changed the essence of the matter, however, as all of this revolved around a concrete action--the decision made on Washington's proposals regarding the deployment of new medium-range American nuclear systems in Western Europe. The hope that the decision on the "Eurostrategic" missiles would be positive united the FRG and United States and led to the creation of something like a Washington-Bonn axis, which was then used to exert pressure on undecided NATO countries.

There are a few noteworthy aspects of this entire affair of the American "nuclear umbrella." In particular, it appears that the commotion about the allies' diminished faith in U.S. "nuclear guarantees" was less connected with the actual views of Western European leaders (the categorical declarations of some representatives of the FRG leadership were the exception rather than the rule) than with agitation which was largely inspired overseas. The inflammatory statements made by H. Kissinger represent only one example of this. As P. Thinnes, president of the North Atlantic Assembly and member of the Norwegian parliament, said when he visited the United States, the need to reassert American NATO commitments was discussed much more frequently on that side of the ocean than in Europe.[10]

According to many political spokesmen and experts in the West, there is absolutely no basis for the assertion that the reinforcement of medium-range nuclear missile potential on the European continent is essential for the enhancement of the reliability of American guarantees.[11]

Not long before last December's NATO Council session, the WASHINGTON POST admitted that if Western Europe were to agree to the U.S. proposals, it would "not obtain any stronger guarantee of protection than it has now." The newspaper stressed: "The decision would still be made by the President of the United States, and American cities would be in as much danger of a retaliatory strike as before. Besides this, the deployment of this weapon in Europe would inevitably make the NATO countries the target of Soviet missiles in the event of war. How would this benefit Western European security?"[12]

Washington's European Gamble

The plan to "upgrade" NATO weapons with medium-range missiles represents, according to prominent West German expert C. Weizaecker, "an American wish that is almost tantamount to an order."[13] The tough U.S. stand on this issue came as no surprise to the Western European countries and other states. It is totally in line with the present Washington Administration's general foreign policy strategy. A characteristic feature of this strategy is a more aggressive stand in relations with the socialist nations and some developing countries and more openly dictatorial behavior in the "partnership" with allies in military-political blocs. In addition, there has been a resurgence of Washington's exaggerated claims to world leadership and the role of world policeman.

Many of the statements in President J. Carter's speech before the Business Council in Washington on 12 December were probably the most obvious derivatives of the "position of strength" policy. In this speech, he mentioned negotiations "based on American strength," claims to "America's leading role and influence in the world" and the need to "enhance American rapid deployment potential for the fulfillment of U.S. obligations beyond the bounds of NATO," and, finally, he announced a "5-year armaments plan," during the course of which real U.S. military expenditures will rise 4.5-5 percent annually.

The Democratic Administration, which is leaning more and more toward the unconcealed revival of hegemonistic foreign policy, is clearly once again relying on strength as the chief means of its implementation. But the power of even a nation like the United States is no longer enough to direct the course of events in various parts of the world into convenient channels. This is why Washington is trying to "augment" its capabilities by strengthening its "partnership" with Western Europe within the NATO framework. The North Atlantic Alliance, which represents, according to Z. Brzezinski's definition, a guarantee of Western security, is also of particular importance to the United States in the context of the global strategic balance.

With the aid of NATO, American ruling circles are striving above all to achieve military superiority to the countries of the Warsaw Pact organization. Judging by the statements of U.S. Secretary of Defense H. Brown, Washington hopes to attain this goal by the mid-1980's. By its vigorous attempts to change the strategic situation in Europe in favor of the United States and NATO, the Carter Administration is dramatically increasing the danger of nuclear war.

The hope of making NATO militarily superior to the Warsaw Pact countries largely determined the approach taken by U.S. ruling circles to the question of deploying new medium-range nuclear missile systems in Western Europe.

The decision to deploy new American missiles on the European continent reflects Washington's line of augmenting the role of nuclear weapons in the strategy of the North Atlantic Alliance. Passing black off as white, however, participants in the December session of the council of this aggressive bloc declared in the final communique of the session that the program they had adopted would "not lead to increased NATO reliance on nuclear weapons."

It was even loudly announced at the session that, "as one of the elements of the program for the modernization of technical nuclear forces," 1,000 American nuclear warheads would be recalled from Western Europe "as soon as possible." But here, after all, the object of discussion was not a qualitatively new type of weapon, but an obsolete warhead which should have been discarded long ago and which--and this is the main point--belongs, even according to NATO's system of classification, to a totally different category of nuclear devices.

In addition, even many Western politicians and researchers are saying that there is more emphasis on the "limited" use of nuclear weapons in the modernized strategy of the United States and NATO.[14] It is true that American ruling circles expect any new conflict to be of a "Eurostrategic nature," with the United States outside its boundaries. But the reality of these expectations is doubted by many prominent experts in the West. For example, P. Doty and his co-author note that if the "nuclear threshold is crossed," there will be more pressure in favor of expanding the role of nuclear weapons and their use for targets far beyond the boundaries of the zone of conflict, creating the risk of escalation, right up to the use of long-range tactical nuclear weapons (or medium-range systems) from the Atlantic to the Urals, as well as the eruption of a nuclear war between the United States and the USSR.[15]

Judging by some signs, the United States may not limit itself to the deployment of the currently planned number of missiles in Western Europe. It is already being suggested that the USSR will supposedly "retain superiority" in this field even after the deployment of the new U.S. missiles.

The line of enhancing the role of nuclear weapons in U.S. and NATO strategy is also regarded by Washington as one of the most reliable ways of impeding the further development of centrifugal tendencies in the North Atlantic Alliance and in U.S.-Western European relations.

At present, a factor which, so to speak, partially compensates for the increased tension in NATO between the United States and its "junior partners" is the military presence of the United States in Western Europe, including the American forward-based systems there. American retired Admiral T. Moorer quite recently referred with absolute candor to these systems as the "glue" holding the North Atlantic Alliance together. In his words, as soon as the United States refuses a NATO request for "advance support" or begins to reduce it, one member after another will drop out of the bloc, and NATO will simply fall apart as the "net" result of all this. It is for this reason, the admiral said, that the United States has painstakingly avoided talks with the Russians on forward-based systems for the last 10 years.[16]

Now that Washington feels that the stability of Atlantic military-political relations has been seriously undermined, U.S. leaders are trying to deploy the new medium-range missiles in Western Europe for the purpose of delivering a double strike: One at detente, many aspects of which displease an extremely influential segment of the American ruling elite, and one at the tendency toward greater independence on the part of the NATO allies. By deploying new nuclear missile systems on the European continent and thereby expanding and simplifying occasions for the use of nuclear weapons, Washington intends to create a situation in which the Western Europeans will be its lackeys.

This policy is arousing mounting irritation in the United States' NATO partners, because they surely realize that the United States is using its Pershings and winged missiles not only to acquire unilateral advantages in relations with the Soviet Union, but also to keep them within the Atlantic camp.

The Mine Under the Structure of Detente

Without idealizing the position of the United States' Western European allies, which coincides with Washington's own views on many issues, we can definitely say that their attitude toward detente in Europe does not always coincide with the American attitude. Most of the Western European countries are seeking and finding more and more new and important positive aspects of detente: the strengthening of security on the continent, the development of political, economic and other types of cooperation, the resolution of important concrete problems and so forth. As for the United States, here we find an obvious tendency to take a "critical" view of what is going on in Europe, to regard many of the processes taking place here as either a direct or a potential threat to "vital American interests."

Differences in attitudes toward detente have also affected the approach of the NATO countries to the question of the deployment of the new U.S. medium-range missiles within Europe. With good reason, the United States' allies are worried that the attempt to disrupt the existing balance of power in Europe and to guarantee the military superiority of the NATO bloc could undermine the very basis of the detente process. Washington may not share the feelings of its partners, but it must take them into account and invent tactical moves to promote the political decisions it requires.

The particular move employed in the case involving the new American medium-ranged missiles was the proposal that the decision on the deployment of these missiles in Western Europe be combined with consent to "negotiate nonetheless" with the Warsaw Pact states regarding the limitation of this type of weapon. This proposal was supposed to satisfy the Western Europeans who were worried about the future of detente or simply saw no reason to challenge the Soviet Union and, simultaneously, to camouflage the real purpose of the steps to "rearm" NATO, to neutralize those who might block these steps and to create the illusion that the "rearmament" could always be abandoned.

The elaboration of the "disarmament" portion of the NATO position was assigned to a special group created in April 1979, representing experts from all of the NATO countries, with the exception of France. The group was headed by the director of the office of military policy of the U.S. State Department. Most of the work was also taken on by Washington representatives. It is not surprising that the NATO members themselves compare the activity of this special group to a search for a "figleaf" to cover up the desire to build up medium-range systems.[17]

By the end of September the group had drafted the recommendations which formed the basis of proposals set forth at the December session of the NATO Council. The members of the bloc announced their willingness to discuss limitations on U.S. and Soviet medium-range systems "during the course of bilateral negotiations within the SALT III network, employing a gradual approach." According to the NATO members, these negotiations should lead to agreement on limitations on U.S. and Soviet land-based nuclear medium-range missile systems.

The "negotiation proposals" drawn up by the Atlantic powers last December were practically a mirror image of the recommendations drafted by the special group at the end of September. This similarity provides a better understanding of the position of the NATO countries.

The fact is that the special group finished its work at a time when the NATO members were "most worried," if we can believe their statements, by the "increase" in Soviet potential medium-range systems. It was precisely in accordance with this groundless declaration that the essence of the recommendations drafted by the group was determined. Within two and a half months, during which the recommendations of the special group were being held in reserve for the next NATO Council session, debates between East and West, between supporters and opponents of the new round in the arms race, over medium-range nuclear missile systems took on different features as a result of concrete Soviet proposals, and it became possible to begin the talks without waiting for any kind of decisions on the deployment of new types of nuclear weapons in Western Europe--that is, without starting up the entire mechanism for the production and deployment of these weapons.

If the NATO countries had taken a responsible approach to the need to preserve detente on the European continent, they would not have ignored the Soviet Union's willingness to take concrete steps to limit its own medium-range systems, and in a unilateral manner for a start. The West was required only to refrain from commencing any new programs.

Washington and its allies, however, decided to disregard these gestures which testifies to their lack of interest in real limitations on these types of weapons or fair negotiations without the setting of preliminary political conditions that are unacceptable to the other side.

Furthermore, NATO has suggested that SALT III be used as the negotiation forum. Session participants, however, were well aware of the Soviet position on this matter, which had been set forth, in particular, by Soviet Minister of Foreign Affairs A. A. Gromyko. If SALT III, he stressed, "were to pertain not only to strategic weapons, but also to medium-range nuclear missiles, imagine how much time these talks would take! It would be a wonder if they took only 7 or 8 years. Does this not threaten Europe with great danger? And not only Europe. There will be talk, but no decisions."[18]

Moreover, American forward-based systems were not discussed in the NATO proposals, and French and British nuclear forces were completely excluded from the projected talks.

Even after all this, the decision about nuclear "modernization" in NATO is being depicted as a foundation for serious talks about the limitation of medium-range nuclear missile systems.

The unrealistic nature of the NATO proposals in the form in which they were set forth in December 1979 is completely obvious. This suggests that the NATO bloc, once again demonstrating its aggressive nature, is actually not only denying what was said literally just a few months, if not weeks, ago--the possibility of no decision and the abandonment of plans to deploy new American missiles in Europe--but is also making it quite clear that the NATO leadership's top priority is the deployment of missiles, and not the resolution of the problem impeding this. As for all of the talks about negotiations as a method of agreeing on the possible abandonment of the missile deployment plan, this is nothing more than a smokescreen to conceal Washington's actual plans.

It is also clear that, under U.S. pressure, the North Atlantic Alliance has taken a new step toward the further escalation of the arms race, a step which is extremely threatening to the people of Europe and to peace throughout the world. It was precisely the United States, as a TASS report of 7 January 1980 stressed, that "used the NATO bloc to force several Western European states to decide to deploy American medium-range nuclear missiles on this continent. This decision is contrary to the interests of peace and security in Europe, and people in many Western European capitals are wondering about the consequences of this action."[19]

It must be said that both the United States and Western Europe must give this matter serious thought and choose between actions which cannot be described as other than hostile to the interests of peace and a sober and farsighted approach to East-West relations, to efforts to strengthen international security and curb the arms race. It is this kind of constructive approach that must ultimately prevail in the Western countries because it is the only approach consistent with the desires of the European people and the people of the United States and with the interests of all mankind.

FOOTNOTES

1. PRAVDA, 6 November 1979.

2. Ibid.

3. Ibid., 7 October 1979.

4. "Military Balance 1979/80," London, 1979, p 117.

5. FOREIGN AFFAIRS, Summer 1979, p 1080.

6. INTERNATIONAL SECURITY, Winter 1978/79, p 43.

7. Ibid., p 22.

8. THE WASHINGTON QUARTERLY, Autumn 1979, pp 4-8.

9. DIE ZEIT, NO 47, 1979.

10. "Western Security Issues: European Perspective," Hearings Before the Subcommittees on International Security and Scientific Affairs and on Europe and the Middle East of the Committee on Foreign Affairs, House of Representatives, 12 September 1979, Washington, 1979, p 29.

11. "SALT and the NATO Allies." a Staff Report to the Subcommittee on European Affairs of the Committee on Foreign Relations, U.S. Senate, Washington, October 1979, p 23.

12. THE WASHINGTON POST, 5 December 1979.

13. DIE ZEIT, No 47, 1979.

14. "Western Security Issues: European Perspective," p 15.

15. INTERNATIONAL SECURITY, Winter 1978/79, p 20.

16. "Military Implications of the Treaty on the Limitation of Strategic Offensive Arms and Protocol Thereto (SALT II Treaty)," Hearings Before the Committee on Armed Services, U.S. Senate, pt II, Washington, 1979, p 602.

17. "SALT and the NATO Allies," p 23.

18. PRAVDA, 25 November 1979.

19. Ibid., 7 January 1980.

8588
CSO: 1803

AN EFFECTIVE BARRIER TO THE SPREAD OF NUCLEAR WEAPONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 17-27

[Article by K. P. Borisov]

[Text] On 5 March 1980 it will be 10 years since the day when one of the most massive and important agreements in the area of arms race limitation came into force--the Treaty on the Non-Proliferation of Nuclear Weapons. At present, 108 states are party to this agreement. Another 10 states have signed the treaty but have not completed the process of its ratification as yet.

The last decade has proved beyond any doubt that the Non-Proliferation Treaty has played an extremely useful role as the major means of preventing any increase in the number of states possessing nuclear weapons. But more remains to be done, and new efforts must be made now. The Accountability Report of the CPSU Central Committee to the 25th Party Congress stated that "the institution of further effective measures to prevent the spread of nuclear weapons on our planet is still one of the most important objectives. The USSR is willing to cooperate with other states for its attainment."[1]

The Soviet Union and United States have noted the great significance of the Treaty on the Non-Proliferation of Nuclear Weapons several times in joint documents adopted at the time of summit-level meetings. For example, in a Soviet-American communique dated 18 June 1979, both sides reaffirmed the great significance they attach to the non-proliferation of nuclear weapons and reasserted their determination to continue their strict compliance with the obligations they had taken on in accordance with the Non-Proliferation Treaty. They commented on the serious threat nuclear proliferation poses to international security and expressed their common opinion that the states which already possess nuclear weapons bear a special responsibility to display restraint. They reaffirmed their mutual belief that further efforts are needed and expressed the hope that the conclusion of the SALT II treaty will play an important part in the attainment of the goals of non-proliferation.

The question of preventing nuclear proliferation invariably occupies a central place in the Soviet Union's relations with other states as well. In February 1975 a joint Soviet-English declaration on nuclear non-proliferation was signed in Moscow, in which the USSR and England resolutely advocated strict observance of the Non-Proliferation Treaty and adherence to this treaty by the widest possible group of states. In June 1977 an identical Soviet-French declaration was signed.

The reinforcement of nuclear non-proliferation standards is regularly proposed by the UN General Assembly, which adopts resolutions at its annual sessions, aimed at curbing the spread of nuclear weapons throughout the world.

The issue of nuclear non-proliferation arose a comparatively short time ago and seemed particularly acute in the 1960's, when the number of nations possessing nuclear weapons increased and the group of "near-nuclear" states expanded--that is, those whose scientific, technical and economic potential was such that they could produce their own nuclear weapons. These states include Canada, Italy, Japan, Argentina, Brazil, Sweden, Spain, Switzerland, the FRG, Pakistan, Israel, South Africa and others. According to some estimates, around 30 states are now capable of building nuclear weapons.

The now apparent plans to build nuclear weapons in South Africa and Israel are particularly disturbing. This would give rise to serious changes in the balance of power and increase tension in their respective regions, as a result of which the threat of nuclear war would be heightened. Other nations, such as Argentina and Brazil, have declined to subscribe to the Non-Proliferation Treaty, making no secret of their intention to acquire nuclear weapons. Disturbing reports have recently come from Pakistan, where a plant for the concentration of uranium for military purposes is being built under a veil of secrecy. The United States, by giving 400 million dollars in emergency military aid to Pakistan, which has refused to subscribe to the Treaty on the Non-Proliferation of Nuclear Weapons, is actually casting suspicion on its promise to "vigorously pursue" the reinforcement of non-proliferation standards.

Although the treaty's sphere of influence has expanded in recent years and it has now been signed, in particular, by nations with a highly developed atomic industry--the FRG, Italy, Belgium, the Netherlands, Japan and others--such nuclear states as France and China are still not party to the treaty.

The development of atomic energy for military purposes has been accompanied by the speedy development of peaceful nuclear power engineering, which entails possible dangers in addition to its obvious blessings. The fact is that one of the by-products of the operation of peaceful nuclear power plants is plutonium, which can be used to build a bomb. The amount of plutonium covered by IAEA [International Atomic Energy Agency] safeguards increased from 2.5 tons in 1970 to 65 tons in 1978. According to IAEA forecasts, annual plutonium production in the world could reach 1.5 million kilograms by the year 2000. According to the data of a group of UN experts who prepared a report on the possible consequences of the use of nuclear weapons, the production of a nuclear bomb with a blast power of 20 kilotons (precisely the size of the bomb dropped on Hiroshima) would require only 8 kilograms of plutonium. Along with plutonium, highly enriched uranium is used in the manufacture of nuclear weapons.

In 1954 the world's first nuclear power station, with a capacity of 5 milliwatts, began operating in the Soviet Union. By 1965 capacities totaling 5,000 milliwatts were being operated throughout the world. By the end of 1978 this figure had reached 110,000 milliwatts, which constitutes 5.8 percent of all electric power produced in the world.[2] According to IAEA estimates, the capacity of electric power stations could represent 20-26 percent of all energy production capacities in the world by the year 2000. The main stimuli for this exceedingly rapid development of nuclear power engineering are such factors as the constantly rising demand for energy, the rising prices of traditional types of fuel, and the highly economical and safe types of nuclear reactors being developed. The average nuclear power plant conserves at least 1.5 million tons of petroleum a year.

How has the Treaty on the Non-Proliferation of Nuclear Weapons worked during the first 10 years of its existence, and how have states adhered to its provisions?

The basic provisions of the treaty can conditionally be divided into three categories:

The obligations of states concerning the non-proliferation of nuclear weapons--that is, measures to prevent the emergence of new nuclear countries (in the West this group of obligations is often qualifed as the prevention of the "horizontal" proliferation of nuclear weapons);

Provisions regarding the peaceful use of atomic energy and obligations concerning arms race limitation and disarmament.

Obviously, it is wise to adhere to this set of categories in an analysis of the treaty's impact.

Articles 1 and 2 of the treaty, which represent the key provisions of this international document, contain the so-called reciprocal obligations of nuclear and non-nuclear states. The former have promised not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices, and the non-nuclear states have undertaken not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices. These obligations quite effectively block all avenues and loopholes for the possible spread of nuclear weapons. This has been conclusively confirmed by the fact that in all the years that the treaty has been in effect, not once has there been a case involving the conscious or unconscious violation of obligations regarding the non-transmission or non-acquisition of nuclear weapons by any of the treaty's signatories. The last annual IAEA report, which was submitted to the 34th Session of the UN General Assembly at the end of 1979, noted that the agency had not discovered "any inconsistencies attesting to the transfer of a significant quantity of safeguarded nuclear material for the production of any kind of nuclear weapon, the attainment of any other military goal or the manufacture of any other nuclear explosive device."[3] This is an important conclusion, demonstrating once again the viability of the treaty and the system of nuclear non-proliferation constructed on this foundation.

Verification of the fulfillment of the Non-Proliferation Treaty by states is accomplished with the aid of an essentially unified system of control--namely, the system of IAEA safeguards, which has proved to be totally effective. The annual report of this agency for 1978 contains the conclusion that the nuclear material covered by its safeguards has either remained within the bounds of peaceful nuclear activity or has been reliably accounted for in one way or another. In this sense, the activity of the IAEA in connection with the implementation of these safeguards has promoted regional and international security and has alleviated worries about the danger of the spread of nuclear weapons as a result of the proliferation of nuclear technology.

The Treaty on Non-Proliferation precisely limits control to the territory of the non-nuclear countries. In accordance with Article 3, the non-nuclear states party to the treaty must conclude agreements with the IAEA on these safeguards, establishing the agency's control over all nuclear activity within the territory of these states. Therefore, from the perspective of the Treaty on the Non-Proliferation of Nuclear Weapons, the establishment of control over the peaceful use of atomic energy in states possessing nuclear weapons would be meaningless.

At the end of 1978, 61 states party to the treaty concluded the necessary agreements with the IAEA, putting all of their nuclear activity under the jurisdiction of this agency's safeguards. On the basis of agreements concluded outside the framework of the Non-Proliferation Treaty, the IAEA has also applied safeguards in 12 other countries, which are not party to the treaty but are engaging in significant nuclear activity (Argentina, Brazil, Spain, Colombia, Pakistan, Turkey and others). By the end of 1978, the IAEA was monitoring 607 nuclear installations, including 112 nuclear power plants, 33 conversion plants and plants for the manufacture of fuel elements, and 3 enriching mills.[4]

The treaty envisages supervision of the movement of fissionable material, so as to prevent its move from peaceful production to nuclear weapon manufacture. This is accomplished by investigating the records on the movement of nuclear material, monitoring the work of operators at nuclear installations and taking selective measurements in "key spots" or so-called "strategic locations" at installations specified in advance in the agreements on the safeguards concluded by states with the IAEA. If an unauthorized nuclear "leak" is discovered as a result of verification, this will serve as a signal for further investigation, on the basis of which the IAEA Board of Directors will determine whether the conditions of agreements on safeguards have been violated.

The huge volume of this work is attested to by the fact that 208,589 sets of records were checked by the IAEA in 1978.

The states must provide the agency with information about the construction of power plants, records and reports regarding nuclear material, and the right to inspect the nuclear material under IAEA jurisdiction. This kind of international control extends not only to the movement of material within a single installation, but also to its movement within a state and from one state to another. As a result, the treaty's system of safeguards actually covers all of the peaceful nuclear activity of the state party to the treaty.

The IAEA Charter expressly stipulates that the agency will conduct its activity with the proper respect for the sovereign rights of states. It monitors only the states' fulfillment of obligations they have voluntarily assumed in line with the treaty. In order to minimize the presence of foreign personnel, the treaty envisages the implementation of safeguards, whenever possible, with the aid of automatic control devices meeting the current standards of scientific and technical development. These devices are being used more and more widely. Special mention should be made of the fact that in all the years of the implementation of IAEA safeguards, not one of the states undergoing verification has complained that the agency's monitoring is troublesome or has been accompanied by intervention in internal affairs or commercial espionage.

The experience accumulated in the implementation of IAEA safeguards during the years that the Non-Proliferation Treaty has been in effect has conclusively demonstrated that its monitoring machinery is functioning reliably and, what is more, has never involved the slightest violation of the sovereign rights of states or impeded their peaceful activity in the nuclear sphere. This is one of the reasons that the number of states covered by agency safeguards is increasing with each year.

The USSR takes an active part in the agency's inspections. Soviet specialists are working on new and better methods of control for the IAEA and are training agency inspectors. Some of this work is being conducted within the Soviet Union. Personnel from the IAEA department of safeguards and inspections have taken part in several experimental tests at the Novo-Voronezhskaya nuclear power station.[5]

The adoption of measures to make the development of nuclear weapons impossible in nations wich are not party to the Non-Proliferation Treaty for one reason or another are also extremely significant in the reinforcement of non-proliferation standards. The implementation of paragraph 2 of article 3 of the treaty has an important role to play in this respect. It obligates parties to the treaty not to provide fissionable material or special equipment to any non-nuclear state, including those which are not party to the treaty, unless the material and equipment are subject to the necessary safeguards. To execute this provision, an agreement was concluded on 22 August 1974 by the nations exporting fissionable materials and equipment (the USSR, the United States, England, the FRG, Canada and others) in regard to the implementation of this provision.[6] At the same time, a list of nuclear materials and equipment, whose shipment to any non-nuclear country would necessitate the establishment of IAEA control, was drawn up. This list was called the "Zanger list" after the Swiss representative who headed the group of experts drawing up the list. The agreement of 22 August 1974 has now been signed by 22 exporting countries; the expansion of this group to the maximum is now an extremely important objective.

At the beginning of 1976, several major exporters of nuclear equipment, materials and technology agreed to implement certain important principles in their nuclear export policy, which would aid in reinforcing non-proliferation standards. Since the exporters' conference was held in London, this group of states is often called the "London club" in the press. It includes the USSR, the United States, England, France, the GDR, the CSSR, Poland, the FRG, Japan, Canada, Italy, Sweden and others. The Soviet Union believes that all exporters of nuclear materials, equipment and technology should adhere in their nuclear export policy to the strictest standards, which will completely close up all loopholes for the spread of nuclear weapons. Before the USSR delivers any shipments of nuclear materials, equipment and technology, it requires clients to accept IAEA safeguards on Soviet nuclear exports. They must officially certify that these materials, equipment and technology will not be used for any purposes which might result in the manufacture of nuclear explosive devices. In the event of re-export, they must certify that shipments will be made on the original export terms.

Among the measures taken to enforce nuclear non-proliferation, the guarantee of physical protection of nuclear materials or, as this is sometimes called, the "subnational non-proliferation" of nuclear weapons, is extremely important. Measures of this kind are aimed against any attempt by individuals, terrorist organizations or groups of criminals to steal fissionable materials and use them for such purposes as political blackmail, financial extortion and so forth. And it would not even be necessary for them to manufacture an atomic bomb: Just a few hundred grams of radioactive material could also pose a tremendous threat in the form of a radiological weapon. International steps must be taken to heighten the responsibility for keeping track of nuclear materials in the process of their accumulation, utilization and transport; when the USSR exports fissionable materials, for example, it requires its clients to institute physical protection safeguards on the basis of IAEA recommendations. The Soviet Union also took part in drafting a universally acceptable international agreement on the physical protection of nuclear materials and equipment, which would be mandatory.[7]

Concerted effort by the exporters of nuclear materials, equipment and technology to strengthen international control over nuclear exports will indisputably enforce the international non-proliferation of nuclear weapons. This, however, cannot fully and completely block all of the possible channels of nuclear proliferation. The USSR has proposed the establishment of even more reliable nuclear export control. Above all, all exporters must agree to establish international standards, compulsory for all exporters of nuclear materials, equipment and technology, stipulating that IAEA safeguards would apply to the entire fuel cycle in any non-nuclear recipient-nation--or, in other words, all of the nuclear activity of such a nation. This is vitally important in the interests of preventing the threat of nuclear war and safeguarding world peace.

Unfortunately, this view is not shared by all exporters of nuclear materials and equipment. Any relaxation of nuclear export control can only benefit the particular circles which are promoting the spread of nuclear weapons, consciously or unconsciously, in their pursuit of superprofits. In connection with this, the recent reports in the American press that the U.S. Government has relaxed restrictions on the export of nuclear materials are naturally disturbing. As the NEW YORK TIMES reported on 25 October 1979, a report prepared by the National Security Council states that the policy conducted by President J. Carter since 1977 to prevent the spread of nuclear weapons "has undergone significant changes in recent months" and "the general direction of these changes is tantamount to a step backward," since "states not possessing the [nuclear] weapons will be given unlimited access to nuclear explosive materials, as was the case before 1977."

The interests of international security make it mandatory that competition for the sales markets of nuclear materials and equipment be replaced with egalitarian cooperation in the peaceful use of atomic energy, with the necessary safeguards against the armed control use of this grand achievement of the human mind. This is precisely the goal of the Treaty on the Non-Proliferation of Nuclear Weapons and other means of control, intended to aid in establishing universal rules regarding the non-proliferation of nuclear weapons.

The Non-Proliferation Treaty prohibits non-nuclear states from developing and manufacturing nuclear weapons and other explosive devices--that is, it imposes serious restrictions on their activity in the nuclear field. Does this mean that the implementation of the treaty will deprive states of the opportunity to use the tremendous advantages they could accrue as a result of scientific achievements in the field of nuclear physics and technology? The 10 years that have elapsed since the treaty went into effect have provided a cogent reply to this question. We can quite confidentially say that the treaty began a qualitatively new stage in international cooperation in the peaceful use of atomic energy. The consistent implementation of the principle of nuclear non-proliferation will provide even greater opportunities for the further expansion of this cooperation.

Article 4 of the treaty envisages the inalienable right of states to develop research, production and use of nuclear energy for peaceful purposes without any kind of discrimination. This article specifically obligates the nations capable of doing this to promote the peaceful use of nuclear energy, particularly within the territory of the non-nuclear states party to the treaty, with the proper consideration for the needs of developing areas in the world. Another important obligation of all parties to the treaty is the promotion of "the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy." This provision is of tremendous significance for the developing countries, which often do not have the necessary resources and technical base to carry out extensive programs for the peaceful use of atomic energy and require assistance from developed states.

An analysis of IAEA activity indicates that the conclusion of the Non-Proliferation Treaty was followed by the considerable expansion and activization of the particular areas of agency work connected with the implementation of article 4. Each year IAEA gives more extensive technical assistance to developing countries for the peaceful use of atomic energy. In the 10 years after the treaty was signed (1969-1978), total technical assistance rendered through agency channels increased from 3.7 million dollars to 15.1 million. The regional distribution of this assistance was the following: Asia--30 percent, Africa and the Middle East--21 percent, Latin America--24 percent, and Europe--18 percent. In 1978 the IAEA rendered technical assistance in approximately 400 programs and around 45 other projects, ranging from consultations lasting a few days to large-scale activity lasting several years and entailing annual expenditures in six-figure amounts. In 1978 60 projects in 41 countries were being carried out to increase the grain yields, to produce more protein and improve its quality, to cultivate new strains of grain, to fight animal disease and to combat harmful pests.[8] In 1978, for example, the IAEA and FAO assisted in a large-scale project in Mexico in the use of sterile pests to prevent the fertile Mediterranean fruitfly from migrating North. This insect has settled in Guatemala and is threatening Mexico.

Attaching great significance to IAEA channels of technical assistance, the Soviet Union supplies member-countries with equipment, instruments and materials at the agency's request and aids in the training of personnel for these countries by organizing training courses and scientific demonstrations in the USSR. The Soviet Union has constantly increased its voluntary contribution to the IAEA technical assistance fund: In the last 5 years alone (1975-1979), this contribution rose from 500,000 rubles to 750,000, for assistance primarily to the developing countries party to the treaty.[9]

The constant increase in nuclear information also testifies that the treaty has not diminished international contacts in the peaceful use of atomic energy, but, rather, has broadened these contacts. In 1970 an IAEA international information system was established for the collection of data on problems in nuclear power engineering in many countries. In the years that the Non-Proliferation Treaty has been in effect, the number of countries and international organizations party to this system has risen significantly: from 39 in 1970 to 73 in 1978. The information bank now consists of almost 400,000 data units and contains around 100,000 documents, which can be obtained from the library of publications on microfilm.[10]

The Treaty on the Non-Proliferation of Nuclear Weapons also touches upon the important issue of nuclear explosions for peaceful purposes. Explosions of this kind can be used to extract minerals, create artificial reservoirs or underground storage facilities for natural gas and petroleum, bury radioactive waste, build canals and harbors, lay roads, erect dams and tunnels and so forth. The treaty prohibits non-nuclear countries from building nuclear explosive devices for these purposes, since, from the technological standpoint, there is no difference between a nuclear bomb and a nuclear device for explosions for peaceful purposes. Moreover, article 5 of the treaty envisages the creation of a system of international cooperation in the use of such devices for peaceful purposes. It stipulates that the potential benefits from any peaceful applications of nuclear explosions will be made available to non-nuclear states party to the treaty on a non-discriminatory basis and that the charge to such parties for the explosive devices used will be as low as possible. This is to be accomplished either through an appropriate international body (IAEA) or on a bilateral basis. It is obvious that this procedure is extremely convenient for the non-nuclear countries. They will not bear the expense of developing and manufacturing nuclear explosive devices. In addition, the means by which they will receive services connected with explosions will not make them dependent on the goodwill of any particular nuclear states.

The conclusion of a treaty on non-proliferation stimulated vigorous discussion of the peaceful use of nuclear explosions on the international scale, particularly within the IAEA framework. Corresponding work in this field is also being conducted on a bilateral basis. In May 1976 an agreement was signed by the Union of Soviet Socialist Republics and the United States of America on underground nuclear explosions for peaceful purposes. In 1977 the USSR expressed its willingness to agree on a moratorium on nuclear explosions for peaceful purposes and a ban on nuclear tests for a specific period.

An important element of current undertakings is the international assessment of the nuclear fuel cycle, an idea which was set forth by President J. Carter in April 1977 (it was later reinforced in the U.S. nuclear non-proliferation act of 10 March 1978). The idea was based on the international study of prospects for the development of peaceful atomic power engineering to satisfy the growing demand for energy resources with the simultaneous enforcement of non-proliferation standards. The plan acquired organizational form at a Washington congress in 1977, attended by representatives of more than 40 states and several international organizations. A 2-year program envisages the investigation of the economic and technical aspects of all stages of the nuclear fuel cycle in all possible areas of development.

The Soviet Union is participating in this program in the desire to promote the further application of nuclear power for peaceful purposes with the retention of strict international control over the nuclear activity of states, so that international cooperation in this field will not be used for purposes inconsistent with the Non-Proliferation Treaty. The USSR believes, as was noted in the Soviet delegation's speech at the first conference on this program (United States, October 1977), that work on the program should be aimed at the resolution of two major problems: firstly, the planning of technical and other measures to prevent the further spread of nuclear weapons and explosive devices and to enforce non-proliferation standards; secondly, the assistance of individual countries to define optimal guidelines for national nuclear power engineering while taking no steps whatsoever to impede the development of nuclear power engineering in countries where such programs have already been adopted.

The final conference on this program is to be held in Vienna in the first half of 1980.

Speakers at the first conference to examine the effects of the Non-Proliferation Treaty, held in Geneva in May 1975, advocated research into the possibility of establishing international centers for the nuclear power engineering fuel cycle. The Soviet Union supports the study of this question within the IAEA framework, believing that the establishment of such centers would aid in preventing the spread of nuclear weapons and guaranteeing effective control by the IAEA. It is also in the interest of parties to the treaty, since it will make atomic power engineering more economical and localize the radioactive waste products of the nuclear industry in a limited number of locations on our planet (thereby guaranteeing maximum radiation safety).

On the other hand, the tendency of some non-nuclear countries, including those in the initial stage of nuclear development, to build up an industry for the enrichment of uranium and the derivation of plutonium from irradiated fuel could have extremely dangerous consequences from the standpoint of nuclear proliferation.

The Treaty on the Non-Proliferation of Nuclear Weapons is not an isolated agreement unrelated to other measures to stop the arms race. One of its most important objectives is progress in this area. This is the purpose of article 6 of the treaty, which states that each of the parties to the treaty "undertakes to pursue negotiations in good faith on effective measures relating to the cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control." The particular importance and significance of this article consists in the fact that this is the first time that more than 100 states in the world have undertaken, by international agreement, to pursue negotiations on the broadest variety of disarmament issues. In the 10 years since the Non-Proliferation Treaty went into effect, several international agreements on disarmament and the deescalation of the arms race have been made possible by the consistent and persistent efforts of the Soviet Union and all peaceful countries.

The results that have been achieved in this field also testify that the states party to the treaty are striving to fulfill their obligations stemming from the sixth article of the treaty for practical purposes.

Article 7 of the Treaty on Non-Proliferation touches upon the question of the so-called territorial restriction of nuclear weapons--that is, the creation of nuclear-free zones in various parts of the world. It is obvious that this kind of restriction would unquestionably reinforce non-proliferation standards. The Soviet Union, which has always favored the creation of nuclear-free zones and has assisted the Latin American states in their efforts to bring this about, signed and ratified the supplementary second protocol to the treaty banning nuclear weapons in Latin America (the "Tlatelolco treaty") in 1978, thereby assuming the obligation to respect this continent's status as a nuclear-free zone. The USSR intends to continue promoting the creation of non-nuclear zones in various parts of the world. Naturally, it is important that these zones be truly nuclear-free. Any agreement regarding a nuclear-free zone must completely exclude the possibility of any loopholes for its violation.

At the 33d session of the UN General Assembly, the Soviet Union also proposed the non-deployment of nuclear weapons within the territory of states not possessing these weapons at the present time. This actually meant that nuclear weapons would not be deployed in the future in states where they do not exist now, not in the form of combat-position nuclear systems or in the form of stockpiles of nuclear warheads, bombs, projectiles and mines. If this kind of agreement could be concluded, it would put an end to a process with potential dangerous consequences, including the distabilization of the present strategic balance.

The Treaty on the Non-Proliferation of Nuclear Weapons is directly related to international documents pertaining to safeguards guaranteeing the security of the states party to the treaty. In June 1968, the USSR, the United States and England made special announcements in the UN Security Council to reaffirm the intention of these three powers, as permanent members of the Security Council, to seek immediate action to ensure support, in accordance with the UN Charter, for non-nuclear states party to the treaty that are the victims of aggression or are threatened with aggression involving nuclear weapons. A resolution passed by the Security Council applauded the intentions set forth in the statements of the three powers.[11]

These documents, which are called "positive guarantees" in international practice, represent one element of the system for guaranteeing the security of non-nuclear states party to the treaty. But many non-nuclear states are also requesting that the nuclear powers promise not to use nuclear weapons against--that is, they want "negative guarantees." In line with this request, the Soviet Union announced at the special session of the UN General Assembly on disarmament in 1978 that it will never use nuclear weapons against states which refuse to manufacture or acquire these weapons and do not have nuclear weapons within their territory. The USSR is also prepared to conclude special agreements on this matter with any of these non-nuclear states. The Soviet commitment was reasserted by General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev on 6 October 1979.[12] The Soviet Union has called upon all other nuclear powers to follow its example and take on identical commitments.[13] The UN General Assembly passed a fundamental resolution in favor of the Soviet proposal, and now this resolution must be given the form of a binding international convention.

What are the present immediate objectives in the work of creating an all-encompassing and effective system of nuclear non-proliferation? They include adherence to the Non-Proliferation Treaty by more states, the improvement of IAEA safeguards, the enhancement of their effectiveness, the reinforcement of the technical basis of this system of safeguards and the improvement of inspection operations.

It would also be necessary to reinforce nuclear export control, establish more comprehensive export terms, right up to the extension of IAEA control to all nuclear activity in any non-nuclear client-countries, and to apply the resulting control standards to all exporters of nuclear materials, equipment and technology.[14]

The concerted effort of all states will be required to stop the arms race, dismantle the military machine piece by piece and reduce weapon stockpiles, leading ultimately to general and complete disarmament.

The second conference of states party to the Non-Proliferation Treaty will meet in Geneva in summer 1980 to determine its impact and discuss ways of enhancing the effectiveness of this major international agreement. The success of this conference would make an invaluable contribution to the cause of stronger international security and world peace.

FOOTNOTES

1. "Materialy XXV s"yezda KPSS" [Materials of the 25th CPSU Congress], Moscow, 1976, p 23.

2. "Annual Report of the IAEA for 1978," New York, 1979, p 3.

3. Ibid., p 4.

4. Ibid., p 46.

5. IAEA Document GC (XXI)/OR 194.

6. IAEA Document INFCIRC/209.

7. "Razoruzheniye" [Disarmament], Almanac, Moscow, 1979, p 50.

8. "Annual Report of the IAEA for 1978."

9. UN Document A/34/PV 52.

10. "Annual Report of the IAEA for 1978," p 62.

11. "Sovetskiy Soyuz v bor'be za razoruzheniye" [The Soviet Union in the Struggle for Disarmament], Collected Documents, Moscow, 1977.

12. PRAVDA, 7 October 1979.

13. For a more detailed discussion, see the article by V. F. Davydov, "Guarantees for the Non-Nuclear States and Washington's Position," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 4, 1979--Editor's note.

14. See the article by A. I. Utkin, "Inter-Atlantic Struggle over Nuclear Energy," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 5, 1978--Editor's note.

8588
CSO: 1803

THE EVOLUTION OF CANADIAN MILITARY POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 28-40

[Article by S. F. Molochkov]

[Text] By the time this article is published, the readers will already know the answer to the question of who will make up the new Canadian Government as a result of the special general election of 18 February 1980--the Conservatives, who have been in power for less than 9 months, or the Liberals, who have governed the country for a total of more than 28 of the 35 years since World War II. As always, the candidates have offered the voters various alternative approaches to the resolution of several major problems in Canada today.

There is, however, one area of government activity where the positions of the two oldest bourgeois parties in the nation have recently seemed to differ less and less from one another even in terms of form--this is the area of military policy. In view of the fact that this sphere of activity touches directly upon the vital interests of the Canadian people and is most closely related to the future of the world as a whole, it would be wise to attempt an analysis of the basic stages in the evolution of Canadian military efforts in the 1970's.

Canadian postwar military policy has been colored by a number of factors: Canada's place among the highly developed imperialist states, its geographic location (between the United States in the south and the USSR in the north) and its interrelations with its powerful southern neighbor--the United States of America.

The class interests of the ruling circles of the Canadian bourgeoisie predetermined Canada's role as the junior partner of the United States. Canada was one of the principal initiators of NATO's founding, or its "midwife."

In the forces of this aggressive bloc in Western Europe, Canada maintained an army brigade and an air force division with a total strength of 10,000 and put a naval subunit at the disposal of the NATO command in the North

Atlantic. Canada also supplied its NATO allies with weapons and ammunition, allowed them the use of its territory for the training of English and West German infantry units and trained the military pilots of the NATO countries.

The establishment of the North American air defense system by the Americans gave Canada an opportunity to avoid costly efforts to establish separate Canadian defense systems and to limit itself to participation in NATO undertakings in conjunction with the United States. Since 1958 the day-to-day supervision of North American air defense has been carried out in accordance with a U.S.-Canadian agreement on the joint system of North American Air Defense (NORAD) and has virtually remained in the hands of the Americans.

During the period of U.S. aggression against the Korean people, the Canadian Government sent an infantry brigade, three destroyers and military transport aviation to give direct support to the interventionists, under cover of the UN banner.

In addition to activities connected with NATO and NORAD, Canadian-U.S. military cooperation has been conducted in line with many (more than 800) bilateral American-Canadian agreements and treaties pertaining to this sphere, the most important of which have been the February 1947 agreement on the postwar extension of the 1940 Ogdensberg agreement on military cooperation, a 1959 agreement on joint defense production, and a 1963 agreement on Canada's acceptance of American nuclear warheads for the Beaumark antiaircraft missiles deployed on Canadian territory. Canada has occupied a purely auxiliary position in this system of cooperation.

In terms of absolute numbers, the Canadian armed forces, which are formed on a professional, mercenary basis, were relatively small in 1968--98,000 people.[1]

When Trudeau took office in 1968, his government made significant changes in Canadian military policy. In the summer of 1968, while Trudeau was still campaigning, he criticized the existing situation in which, in his words, Canada's membership in NATO actually predetermined all Canadian military policy, and this, in turn, predetermined all Canadian foreign policy. After Trudeau had won the election, his government began a reassessment of foreign and military policy.

Reassessment of Priorities and Its Implementation

By the spring of 1969, the approaching conference of NATO defense ministers forced Trudeau to make certain decisions which were to largely determine the outcome of this reassessment. On 3 April 1969, Trudeau announced that the Canadian armed forces would have the following responsibilities in the future: 1) the monitoring of the mainland and coastline--that is, the protection of Canadian sovereignty; 2) the defense of North

America in conjunction with the United States; 3) the fulfillment of agreed-upon NATO commitments; 4) the performance of the international peace-keeping tasks which Canada might take on from time to time. The order of these priorities attested to an obvious move away from NATO military obligations and a definite departure from cold war dogma in the areas of foreign and military policy. The interests of Canada's own defense--Canadian territory and the North American region--took the fore. Moreover, the prime minister stressed the desire of the Canadians to rely on their own strength as much as possible in carrying out these tasks on Canadian territory. The desire for more freedom of movement in foreign policy was also attested to by the place assigned to UN peace-keeping missions. The general outline of these priorities was reinforced with concrete action: Trudeau announced the government's intention to consult with the allies on the reduction of the Canadian contingent of NATO armed forces in Europe in the near future.

A few days later, Trudeau frankly declared that foreign policy would determine military policy in the future, and that military policy, in turn, would determine Canada's membership in various alliances and the principles of Canadian defense. He again stressed that the primary objective of military policy, according to his government, was the protection of Canadian sovereignty, and not membership in NATO--an alliance which had turned into a purely military bloc with little interest in arms control or the alleviation of international tension. Trudeau cast doubts on the expediency of sharing in NATO's operations by maintaining an army brigade in Western Europe, which, by virtue of its specialized nature, could not be effectively used to protect Canada itself, as well as participation in the NATO system of antisubmarine defense in the North Atlantic. He admitted that many representatives of the Canadian financial community and the governments of some provinces felt that current levels of military spending were too high.[2]

In connection with these instructions, a decision was made in 1969 to freeze military expenditures for 3 years--that is, to keep them at 1.8 billion dollars a year until the end of 1972--to reduce total armed forces from 98,000 persons to 85,000-80,000; to reduce the total strength of the Canadian NATO contingent in Western Europe by half--from 10,000 to 5,000--by the fall of 1970; to remove the American "Honest John" nuclear missiles from the weapon supplies of the ground units of this contingent in 1970; to renounce the nuclear-attack role of the Canadian air division in the NATO European forces by the beginning of 1972--that is, to cease arming this division with missiles with nuclear warheads; to stop using the "Bonaventure" aircraft carrier.[3]

The principal results of the reassessment of Canadian foreign policy were set forth in the government's "White Paper: Foreign Policy for Canadians," published in June 1970. It declared that Canadian national interests would determine the content and form of the nation's foreign policy, which would, in turn, be an extension of domestic policy. As for military policy, the White Paper contained the eloquent statement: "Defense measures should be maintained on a level high enough to guarantee respect for the sovereignty and territorial integrity of Canada and preserve the trust of the United States and other allies."

Another white paper, entitled "Defence in the 70's," published in August 1971, was the logical continuation of "Foreign Policy for Canadians."[4] The Canadian Government's new policy-planning document, just as Trudeau's announcement of 3 April 1969, reflected the distinctive features of Canada's strategic position. On the one hand, the U.S. air defense system automatically took in the entire North American continent, whether the Canadians wanted this or not. This gave Canada an opportunity to limit its own defense efforts to the minimum needed to guarantee Canadian sovereignty within this system, and it did not have to contribute to the creation and maintenance of the system. On the other hand, as an integral part of this system, Canada would share the fate of the United States in the event of an American nuclear conflict with the Soviet Union. The prospect of national catastrophe, which would be unavoidable if this should come about, gave the Canadians a keen interest in preventing conflicts of this kind, in strengthening peace in every way possible and in developing and consolidating international detente.

Trudeau's statements about the basic aims of Canadian military efforts, reflecting primary concern for problems connected with Canada's own defense, were amplified in "Defence in the 70's." The threat of catastrophic war between the superpowers was recognized as the only major threat to Canada's safety. The White Paper admitted that Canada's own potential for defense against a massive nuclear strike was negligible due to the complexity of nuclear technology and Canada's limited economic potential as a middle-ranking power. For this reason, the government announced that Canada's chief objective in the area of defense should be the prevention of nuclear war through the promotion of political regulation aimed at the elimination of causes of tension, participation in the planning of arms control measures and the drafting of disarmament agreements, and involvement in a system of stable mutual intimidation (that is, participation in NATO and NORAD).

The White Paper stated that military efforts should promote the economic development and internal political stability of Canada. In a discussion of the objective of ensuring national sovereignty and independence, the government directed the attention of the armed forces primarily to the northern regions, where commercial activity had increased dramatically by the beginning of the 1970's, not so much by Canadians as by American firms, attracted by the tremendous raw material potential of this region. In reference to the use of military subunits at times of internal political unrest, such as the crisis that broke out in Quebec in October 1970 as a result of terrorist actions by Franco-Canadian separatists, the White Paper ordered the armed forces to give the necessary assistance to civilian authorities in such cases.

Touching upon Canada's participation in NATO, the White Paper stressed that, in the opinion of the Canadian Government, "the collective defense of NATO is based chiefly on the national defense of each of its members."[5] The government explained its reduced participation in NATO by, firstly, the improved state of the economy in the Western European countries and their heightened ability to provide for their own defense needs in the area of conventional weapons and, secondly, the need for Canada to pay more attention to its own national priorities. The secondary place assigned to NATO in the new national security line actually signified, according to Peter Dobell, a prominent Canadian authority and the head of a parliamentary center for the study of foreign policy and trade, that the "Trudeau Government no longer regarded Europe as Canada's first line of defense, as its postwar predecessors had done."[6] In fact, the White Paper openly admitted that "a premeditated attack on Western Europe now appears unlikely."[7]

"Defence in the 70's" talks about new specific decisions: To discard, after 1976, the Centurion tank used by Canadian troops in Europe, as unsuitable for use in units based in Canada, and to replace it in the future with a light-weight Caterpillar vehicle for direct infantry support; to reduce the number of CF-104 aircraft, equipped with non-nuclear weapons since January 1972, by half in Europe. As for nuclear weapons, "the government decided that there is no longer sufficient reason to deploy Beaumark missiles in Canada in the future and, for this reason, this system will be discarded. The only system in the Canadian armed forces capable of using nuclear weapons will be the CF-101 aircraft based in Canada."[8]

Noting that the communication lines of the American antimissile system pass through Canadian territory, the Canadian Government expressly emphasized the fact that Canada is not participating in U.S. antimissile defense undertakings.

Reaffirming Canada's intention to continue its involvement in NORAD, the White Paper said that this agreement would be in effect only until 1973, and that the decision on its renewal would depend on the actual state of affairs at that time, including the degree of progress in Soviet-American strategic arms limitation talks. The paper frankly stated that the government was "not prepared to allocate considerable sums in the future for equipment and installations intended only for active bomb defense," as this danger has abated considerably.[9]

On the whole, "Defence in the 70's," just as the preceding "Foreign Policy for Canadians," reflected a noticeable reversal in the Trudeau Government's policy toward the safeguarding of Canada's own interests at the expense of military commitments dating back to the cold war. The overall volume of Canadian military efforts decreased.

It appeared at first that the line of assigning Canadian sovereingty priority over NATO involvement would be implemented. By the fall of 1972 the Beaumark missiles had been discarded and their nuclear warheads had been sent back to the United States. The defense budget did not increase until 1973. Later, a decision was made regarding a one-time increase of 235 million dollars and an annual increase of 7 percent for the next 5 years.[10] Under the conditions of a rate of inflation reaching as high as 11 percent a year, these appropriation guidelines made it necessary to reduce actual expenditures--to use less equipment, means of transport and civilian and military personnel. The total strength of the armed forces was cut by the middle of 1974 from 83,000 to 78,000. The number of planes patrolling northern regions and the North Atlantic for the safeguarding of sovereignty was cut in September 1974. The patrol of Arctic regions was almost totally curtailed. Besides this, according to a report in Canada's OTTAWA JOURNAL, at a NATO defense ministers' conference in Brussels in December 1973, the Canadian representative, J. Richardson, expressed the opinion that the small NATO powers could no longer perform all of the alliance's military functions independently, and that specialization was therefore needed. Canada, Richardson said, would only be able to provide for one type of activity by its armed forces in Western Europe after 1976. In the middle of 1975 the same newspaper reported that the Ministry of National Defense had drawn up a plan for the implementation of this thesis, which envisaged the withdrawal of all ground subunits from Western Europe and the limitation of Canada's contribution to NATO armed forces in this region to three CF-104 squadrons.

The Canadians were also striving to coordinate NORAD activity more closely with Canada's own needs. Whereas the NORAD agreement was renewed for 5 years in March 1968, in May 1973 it was only renewed for 2 years. The discussion of this matter in the federal parliament and in the press reflected serious public opposition to Canada's involvement in NORAD. Parliamentary deputies from the New Democratic Party (NDP) stated that the original reason for the creation of NORAD--the supposed threat of attack by Soviet bombers--no longer existed and that Canada should monitor its own skies, cooperating with the United States in the exchange of information but not binding itself to the NORAD system. Toronto University Professor James Ayers, foreign policy commentator for the nation's largest newspaper, THE TORONTO STAR, said that Canada's participation in NORAD was absurd, since this was an air defense system intended to ward off bomber attacks after these had already been replaced by intercontinental ballistic missiles.[11]

Equally heated arguments broke out in connection with the approach of 12 May 1975, when the agreement would be coming up for renewal. The main argument of those who supported this renewal was the assertion that Canada's renunciation of NORAD would give rise to new complications in the already strained Canadian-U.S. relationship.[12] This time, however, the renewal of the agreement was not opposed only by deputies from the NDP, but also by some Liberals. The largest central labor organization in

Canada, numerous peace organizations and the Canadian Communist Party also demanded Canada's withdrawal from NORAD.

It is possible that the presence of this broad and increasingly vigorous opposition to Canadian participation in NORAD was used by the Canadians during negotiations with the Americans for the purpose of gaining concessions. As a result of these negotiations, considerable changes were made in the agreement: The Canadians took control over Canada's air space west of the province of Ontario, which had been under U.S. control up to that time. Plans were made to locate the headquarters of the new Canadian air defense region in Winnipeg (Manitoba). For the first time since the conclusion of the NORAD agreement, air defense throughout Canada was controlled by Canadians.

In May 1975 the NORAD agreement was renewed for 5 years (National Defense Minister J. Richardson wanted to renew it for an indefinite period of time). The Canadians were obviously worried about a negative reaction in Washington. At the same time, however, the Canadian Government stressed once again that Canadian participation in this system would not obligate it to participate with the United States in North American antimissile defense.

Rearmament--The Price of Admittance to the EEC Market

The tendency to reduce foreign obligations in military policy and to "Canadize" this policy conflicted with the mounting opposition and did not develop fully. From the very beginning, steps toward the revision of Canadian military policy evoked pointedly negative reactions from NATO and U.S. leaders. At a plenary session of the NATO Assembly in Brussels in October 1969, a resolution was passed which indirectly censured the reduction of Canadian participation. Statements to this effect were made by former commander in chief of the West Germany Bundeswehr, General H. Speidel, and American General L. Lemnitzer. Pro-American and pro-NATO groups in Canada echoed the sentiments of overseas opponents of the "Canadization" of foreign and military policy. The campaign was headed by representatives of the Conservative Party, who declared that reduced participation in NATO was a mistake, that the so-called "military threat is real" and that the actions of the government were arousing suspicion among Canada's allies.[13]

Pressure was exerted on the Trudeau Government on unofficial and official levels. At a conference on American-Canadian relations at the end of 1971, a White House representative unequivocally said that Canada's military expenditures were "inadequate."[14] This pressure continued for some time. When U.S. Secretary of Defense J. Schlesinger visited Ottawa in September 1975, for example, he also quite unceremoniously spoke of the inadequacy, as he put it, of Canada's contribution in NATO and advised the Canadians to entrust the defense of Canada and the entire North American continent to the United States while focusing the attention of Canadian armed forces on participation in NATO in Western Europe and the safeguarding of sea lanes in the North Atlantic.

Without underestimating the significance of U.S. opposition to the Trudeau Government's attempts to "economize" on defense, we must say that the Europeans, and not the Americans, had the deciding influence on Canadian policy in this sphere. And Canada itself offered them this opportunity. A special issue of INTERNATIONAL PERSPECTIVES, published under the auspices of the Canadian Ministry of External Affairs and dated October 1972, contained only one article--"Canadian-American Relations: Alternatives for the Future," by M. Sharp, Canadian deputy prime minister and secretary of state for external affairs. He analyzed three alternative foreign policy lines in relations with the United States: the preservation of the status quo in these relations, the conscious promotion of further integration with the United States and a long-range strategy for the development and reinforcement of the Canadian economy and other areas of national life for the purpose of diminishing Canada's "current vulnerability." Sharp concluded his article by unequivocally supporting the third alternative as the only one leading to a "stronger Canada."[15] Later Sharp made repeated references to this article as a statement of government policy rather than simply his own personal opinion.[16]

The "third alternative," as this program of action began to be called, envisaged the creation of counterbalances to U.S. influence, particularly in the economic sphere, as one of the most important tasks facing Canada. At a time when three main centers of economic gravity began to take concrete shape in the capitalist world--the United States, Japan and the Western European Common Market countries--the Trudeau Government concentrated on developing economic relations with the EEC, Canada's second largest trade partner.

This convergence with the Western European nations was complicated from the very beginning by the economic alliance of nine of them--the EEC, in which an entire system of tariff and non-tariff restrictions made the unimpeded penetration of their markets impossible. It was clear that the policy of developing economic relations on a bilateral basis with individual Western European countries was not producing the desired effect--making Western Europe a counterbalance to the United States, which accounted for 70 percent of all Canadian foreign trade. This is why Trudeau determined to create a legal basis for the development of economic relations between Canada and the EEC as a whole.

When the Canadians took their first steps in this direction, they encountered a wall of alienation. Ruling circles in Western Europe saw no reason to regard Canada as an entity with its own persona and interests differing from U.S. aims. It took the Canadians a great deal of time and effort to convince EEC members that this view of Canada was mistaken. Besides this, they had to prove--by words and deeds--that Canada was truly interested in Western Europe.

Ruling circles in the Western European countries, closely connected with NATO, made their decision on the Canadian proposal to establish "contractual ties" conditional upon bigger and better participation by Canada in

NATO military undertakings in Western Europe. The transfer of NATO obligations from first to third place in the list of military policy objectives and the reduction of the Canadian contingent of NATO forces in Western Europe by half were interpreted as a "betrayal of NATO principles" and a sign of "continental isolationism."[17] A particularly harsh reaction was aroused by the plans for the further reduction of Canadian participation in NATO forces in Western Europe--first by refusing to replace the obsolete Centurion tank--that is, discarding tank weaponry in general--and then by withdrawing all ground subunits from Europe. The leading role in the resistance of these plans was played by the FRG, representatives of which led the criticism of the Canadian Government's plans at the summit-level NATO conference of May 1975. According to reports in the West German press, one of FRG Defense Minister G. Leber's main reasons for visiting Canada in June 1975 was to impede the possible reduction of the number and combat strength of Canadian troops in the FRG. The concerted pressure exerted on Ottawa by the Americans and Western Europeans was summed up, as it were, by NATO Secretary General J. Luns, who said on 12 November 1975 that all of the main components of the weapons of the Canadian NATO contingent--tanks, naval ships and aviation--had serious defects and that there was increasing dissatisfaction among Canada's allies with its delays in making decisions on this matter.

When the Trudeau Government was confronted by the categorical and tough line of Canada's Western European partners, it had to make concessions. The prime minister had to repeatedly assure the NATO allies that his government would not make any changes in Canada's current military contribution to Western European defense and would not reduce the effectiveness of Canadian participation in NATO.[18] Trudeau admitted that he had to contend with a serious problem: the problem of explaining the need for huge military expenditures to the Canadian public, to the average Canadian, particularly at the height of a fight against inflation. This thankless task was assigned to Canadian Defense Minister Richardson. Soon his speeches began to include statements that were obviously intended, firstly, to justify the costly changes in government military policy and, secondly, to pacify NATO circles.

Contradicting the basic premises of the 1971 White Paper on military policy, he announced in December 1974 that the main military threat to Canada was the group of Warsaw Pact countries, with the USSR in the lead, and that "Canada's first line of defense is located in Central Europe."[19] Later Richardson resorted several times to references to the bugbear of "the mounting Soviet military threat" to justify the escalation of Canadian military efforts. At a conference of NATO defense ministers in December of the same year, Richardson supported the proposal that NATO forces in Europe continue to be armed with nuclear weapons. His successor, B. Danson, adhered to the same line.[20]

This departure from the fundamental position of 1971 was a sure sign that the Trudeau Government would also depart from its previous intentions in specific foreign policy matters. On 27 November 1975, 2 weeks after Luns made the abovementioned statement, the Canadian defense minister made a speech in the House of Commons about the results of a government "study of the defense structure" of the nation. The minister assured the legislators that no changes had been made in the content or priority sequence of the functions of the Canadian armed forces, as set forth in the 1971 White Paper. Moreover, he repeated that the Canadian Government had no intention of increasing the overall size of the regular army. The rest of his speech, however, as well as specific measures taken in the military sphere, attested to serious changes in government policy. Richardson announced that decisions had been made to: 1) begin the broad-scale modernization and renovation of the basic types of heavy armaments as soon as possible; 2) continue the maintenance of aviation and ground subunits in NATO forces in Western Europe; 3) provide the Canadian contingent of NATO European forces with modern high-efficiency tanks; 4) replace the Argus patrol aircraft with 18 P-3 planes purchased from the Lockheed Aircraft firm for a total sum exceeding 950 million dollars; 5) continue investigating the expediency of replacing fighter planes and naval ships; 6) increase allocations for capital expenditures (weapon purchases) 12 percent a year for the next 5 years, until such time as these expenditures would constitute at least 20 percent of all defense appropriations.[21]

At a meeting of the NATO planning committee in Brussels in December 1975, Richardson reported that the Canadian Government had made some new decisions: to augment the tank weaponry of the brigade group in Western Europe; to strengthen the artillery armament of the group in accordance with the recommendations of the NATO supreme command in Europe and approved a program of artillery modernization; to increase the size of the reserve brigade group. The minister informed his colleagues of the increase in military appropriations for fiscal year 1975/76 to almost 3 billion dollars, which immediately exceeded the previous year's figure by 18.7 percent.[22]

In April 1976, at a meeting of the standing committee of the House of Commons on questions of foreign policy and national defense, Richardson also spoke of the plans to purchase new fighter-interceptors, armored carriers, missiles and trucks and to build naval ships.[23]

The content of some rearmament programs was set forth in greater detail in a special supplement to the 19 February 1977 issue of the FINANCIAL POST, the influential newspaper of the Canadian business community, in which possibilities were openly advertised for Canadian firms to acquire profitable government orders for new types of weapons. In particular, it was reported that 120-130 new fighter-interceptors were to be purchased for a sum exceeding 2 billion dollars. The intention to completely replace all 20 destroyers was corroborated. It was reported that at least 300 million dollars would be spent on the manufacture of new armored carriers on a Swiss license (up to 700 carriers). The FINANCIAL POST reported that the Canadian military establishment had ensured the financing of its undertakings by the federal treasury in accordance with a specified quantitative volume, regardless of the inflationary devaluation of initially allocated sums. It was stressed that, in this respect, the Ministry of National Defense was the sole exception to the rule applying to Canadian Government institutions, and that it was therefore the object of envy in the military establishments of the United States and other NATO countries. In setting forth the Canadian Government's new military policy, the authors of the special supplement admitted that it signified "a near-revolution" in Canadian military efforts, thereby stressing the qualitative nature of the changes that had taken place in this policy since November 1975.

The qualitative difference between Canadian Government decisions and actions before and after November 1975 has also been acknowledged by prominent Canadian foreign and military policy. A. McLaren from the University of Toronto believes that the "development of the policy line known as the 'third alternative' prevented defense policy from moving in a more national and less international direction. Instead of working on the priorities set forth in the 1971 White Paper, defense policy returned to what it was in the days before Trudeau...before the partial withdrawal of troops from Europe and before the elaboration of the fundamental premises of contemporary Canadian foreign policy."[24] Virtually the same opinion is expressed by Canadian B. Cuthbertson in the book "Canadian Military Independence in the Age of the Superpowers."[25] A direct relationship between the pressure exerted by the EEC and the change in Canadian military policy is also pointed out by Professor A. Donner from the University of Quebec in Montreal and Professor R. Byers from York University in Toronto.[26]

Later events proved that these views were correct. Throughout the year of 1976 the Canadian Government repeatedly declared the primacy and invariability of Canada's NATO obligations. At a summit-level NATO conference in May 1977, P. Trudeau supported U.S. President Carter's appeal for coordinated action to augment Western military efforts, particularly in connection with the standardization of weapons and ammunition. In July 1977, B. Danson announced that the government had decided to increase the overall strength of the armed forces in the near future. Despite the insignificant absolute dimensions of this increase (4,700 individuals), this decision--the first of its kind since the end of World War II--was of fundamental significance. In the spring of 1978 it was announced that an amphibious combat group had been formed in Canada, consisting of three battalions, an artillery regiment and other maintenance and support units, which would be transported, if necessary, by air or sea to Norway, to the northern flank of NATO. Rearmament continued at full speed. In August 1978 the approval of a program was announced--a program for the construction of six escort ships for a total sum of 1.5 billion dollars to replace an equal number of destroyers. At the December session of NATO defense ministers in Brussels, B. Danson said that Canada would join the United States and the FRG in financing, maintaining and operating the air warning and air control system (AWACS) in Western Europe.[27]

In conclusion, Danson said that the dissatisfaction of Canada's Western European allies and the supreme command of this aggressive bloc had been replaced by their praise of Canadian military undertakings.

While the Trudeau Government was building up its military efforts primarily in the NATO framework, it also gave NORAD considerable attention. Plans were drawn up for the radical modernization of the long-range radar warning system. The sum of 270 million dollars was to be allocated for the renovation of the existing "Line of Pines" (along the Canadian-U.S. border). It was to be extended along the Pacific and Atlantic coastlines of Canada. The complete remodeling of the long-range radar warning line (the so-called "DEW Line") along the Arctic coastline was planned. In December 1977, Trudeau himself visited NORAD headquarters in Colorado Springs (in the state of Colorado).

The Canadians, apparently hoping to lend their undertakings and the very fact of their participation in NORAD greater weight in the eyes of Western Europeans, persistently implied that all of this was part of Canada's NATO contribution.[28] But the United States did not interpret NORAD in the same way, apparently because it did not want to give the Western Europeans a voice in questions pertaining exclusively to U.S. defense.

As the date of the general election approached in the spring of 1979, questions of military policy were more frequently the subject of political debates and party battles. Segments of the Canadian public and experts on military policy did not cease their criticism of Canada's involvement in NORAD. It was said that this agreement obligated Canada to serve as the first line of defense for the United States. In the event of a crisis, as was the case at the time of the "Caribbean crisis" in 1962, Canada would have virtually no chance of opposing U.S. decisions on the use of NORAD, although they would sometimes be made without the preliminary political consultations with the Canadians stipulated in the agreement and might be contrary to Canada's interests.

Emotions were aroused by the decision to replace the fighter planes. The sum of 2.34 billion dollars was allocated for this purpose in August 1977. By the end of 1978, of the six types of fighter planes proposed by the firms competing for this largest military order in Canadian history, the Canadians had selected only two for further investigation, and both of these were American. Critics of the government said that the exclusion of the fighters of the European Panavia firm from the running was dictated by an attempt to improve relations with the United States rather than by the technical features of the aircraft. As for the most probable "victor" of the contest--the American F-16 fighter--it was said that it was being chosen because it was the cheapest, and not because it was the best. Besides this, an important role was played by motives connected with the quantity of subcontracts (and, consequently, profits) that this would give Canadian businessmen, and the number of new jobs that would be created in line with these subcontracts. The latter consideration was directly linked with the political advantages accruing to the Liberals as the ruling party on the threshold of the general election. Supporters of the Conservative Party voiced various arguments to keep the Trudeau Government from making a final decision on the specific designation of the

2.34 billion dollars before the election, asserting that this would be a "criminally irresponsible" action.[29] The attempt made by B. Danson to justify the program for the purchase of the new fighter planes in a letter published in the 9 December 1978 issue of the capital's OTTAWA CITIZEN newspaper was apparently unconvincing. In an editorial responding to the letter, the newspaper cast doubts on the validity of the very goals of the Canadian Air Force and NORAD. Danson was reminded that the United States had already excluded the very possibility of a Soviet bomber attack on Canada by way of the North Pole, and candidly asked: "Are we not arming ourselves for a phony war?" The minister did not reply.[30]

Heated debates broke out over the neutron bomb issue. At first, National Defense Minister B. Danson and Admiral R. Folz, chief of defense headquarters, followed the lead of the Americans and supported this new weapon of mass destruction, absurdly assuring the Canadians that the probability of nuclear war would supposedly be reduced if the Western countries armed themselves with the neutron bomb. This view was condemned by broad segments of the progressive public and the Communist Party of Canada. In Parliament, the irresponsible statements made by Danson and Folz were criticized by representatives of the New Democratic Party, who pointed out the particularly inhuman character of the neutron bomb, the danger of undermining SALT II if the West should arm itself with this weapon and, contrary to the statements of Danson and Folz, the increased danger of nuclear war.[31]

The Soviet Union's firm stand on the neutron bomb issue and the extensive support of this Soviet view by the international public, which also condemned the expansion of the nuclear arsenal, forced the United States to abandon its original plans.

The Canadian Government's attitude toward these and other questions of war and peace was set forth by P. Trudeau in May 1978. At first, speaking at the special UN General Assembly session on disarmament, he stressed that his nation not only refused to assign any kind of nuclear role to its armed forces in Europe (meaning the Canadian NATO contingent--S. M.), but was also currently replacing its aircraft designated for North American use and capable of performing a nuclear role with planes with conventional armament and, therefore, was the first nuclear state to discard this type of weapon. Trudeau set forth his plan for a "suffocation strategy," consisting of four parts, to stifle the nuclear arms race: 1) a comprehensive nuclear test ban, 2) the cessation of tests of new systems for the delivery of strategic weapons, 3) a ban on the production of fissionable material for the manufacture of weapons, and 4) the limitation and subsequent progressive reduction of expenditures on new systems of strategic nuclear weapons. Expressing the opinion of the indisputable majority of Canadians, he praised the U.S. President's decision to postpone the production of the neutron bomb. In accordance with this position, B. Danson announced on 31 May 1978 that the positive assessment of the neutron bomb made by Admiral R. Folz the day before, at a meeting of the standing committee of the House of Commons on foreign policy and defense, was nothing more than the biased opinion of a professional military man and did not reflect the views of the government.[32]

After this, Trudeau attended a summit-level NATO conference in Washington. In contrast to the Americans and some of the Western Europeans who were arguing in favor of the escalation of the arms race, the Canadian prime minister supported the further relaxation of international tension, to which, Trudeau stressed, there is no alternative. At the same time, he approved of the "idea and purpose" of the long-range program for the buildup of NATO military efforts.[33]

This inconsistent position was the result of several contradictory factors. On the one hand, it appears that Trudeau was still trying to prevent Canadian involvement in an escalated arms race and was not departing from the principled decision of 1969 to refuse to play a nuclear role. On the other hand, his government was the object of unremitting pressure exerted by the NATO allies and it continued to make concessions to them in the area of the re-equipping of Canadian armed forces with conventional weapons.

Therefore, Canadian military policy underwent a change in the fall of 1975, a definite return to the priorities inherited from the cold war. The tendency to give Canada's own defense needs priority in military policy is obviously and indisputably weaker, as well as the purely Canadian basis of this policy. The scales and dynamics of this reversal and the factors bringing it about threatened a revival of the once decisive influence of military policy and Canada's membership in the NATO bloc on its foreign policy, which would have an extremely negative effect on Canadian national interests and on all efforts to consolidate international detente in general.

Later events proved that the end pursued by the Trudeau Government, when it made the decision that was announced in November 1975, did not justify the means. The "contractual ties" with the EEC did not produce any tangible results, and Canada's trade with the Common Market countries is growing more slowly than its trade with the United States. Besides this, the increase in military appropriations has given rise to destabilizing phenomena in the Canadian economy and, above all, has promoted a new rise in the rate of inflation, which, in turn, was one of the main reasons for the defeat suffered by the Liberal Party in the general election of 22 May 1979.

The Conservatives not only had no intention of changing the military policy line of their predecessors, but, on the contrary, were prepared to take more steps in the same direction. Party leader J. Clark, who became prime minister, announced his intention to increase the defense budget in spite of the overall reduction of federal spending, increase the total strength of the Canadian armed forces and strengthen Canada's involvement in NATO. At the December session of NATO in 1979, the Conservative

Government approved the plan to deploy the new medium-range nuclear missiles in Western Europe. The Conservatives had simply no time to move in this direction: After being confronted by the same economic and social problems encountered by the Liberals, whose solutions to these problems had been so zealously criticized by the Conservatives when they were in the opposition, the Conservatives lost even their relative majority in parliament in less than half a year and the Clark Government was given a vote of no confidence in parliament when the draft of its first budget was being discussed in December 1979.

Time will tell what lessons all of this has taught those who will govern the nation after 18 February 1980. There is no question, however, that the successful resolution of the extreme difficult problems facing the victors will not be compatible with intensive military efforts.

FOOTNOTES

1. "Canadian Annual Review for 1969," Toronto, 1970, p 263.
2. "House of Commons Debates," 1st Session 28th Parliament, 1969, pp 7866-7870.
3. STATEMENTS AND SPEECHES, No 69/15, Leo Cadieux, "Canada Adopts a New Defence Posture," Ottawa, 29 September 1969.
4. "Defence in the 70's," Ottawa, 1971.
5. Ibid., pp 11, 32.
6. P. Dobell, "Canada's Search for New Roles, Foreign Policy in the Trudeau Era," London--New York--Toronto, 1972, p 35.
7. "Defence in the 70's," p 33.
8. Ibid., p 30.
9. Ibid.
10. "Canadian Annual Review for 1973," Toronto, 1974.
11. THE TORONTO STAR, 16 February 1973.
12. THE GLOBE AND MAIL, 23 April 1975.
13. INTERNATIONAL CANADA, May 1971, p 122.
14. THE OTTAWA JOURNAL, 1 December 1971.

15. INTERNATIONAL PERSPECTIVES, Autumn 1972, Special Issue, pp 11, 12.

16. STATEMENTS AND SPEECHES, No 73/4, M. Sharp, "Basic Principles of Canada's Current Foreign Policy," Toronto, 2 May 1973; No 73/15, M. Sharp, "The Major Concerns of Canadian Foreign Policy," House of Commons, 15 May 1973.

17. MACLEAN'S, October 1972, p 38.

18. THE OTTAWA JOURNAL, 10 June 1975.

19. Ibid., 2 December 1974.

20. THE FINANCIAL POST, Special Report, 19 February 1977.

21. STATEMENTS AND SPEECHES, No 75/40, J. Richardson, "Canada's Defence Priorities," House of Commons, 27 November 1975.

22. CANADA WEEKLY, 7 January 1976.

23. THE OTTAWA JOURNAL, 14 April 1976.

24. INTERNATIONAL PERSPECTIVES, March-April 1977, pp 22, 25.

25. B. Cuthbertson, "Canadian Military Independence in the Age of the Superpowers," Don Mills (Ontario), 1977, pp 269-270.

26. INTERNATIONAL PERSPECTIVES, March-April 1977, p 17; "Canadian Annual Review for 1975," Toronto, 1976, pp 300-304.

27. "Canadian Annual Review for 1976," Toronto, 1977, pp 360-367; CANADIAN NEWS FACTS, 19 May, p 1760; 19 July 1977, pp 1792-1793; "Defence 1977," Ottawa, 1978, p 4; THE GLOBE AND MAIL, 23 May 1978; MACLEAN'S, 6 November 1978, p 22; CANADA WEEKLY, 2 August 1978; 3 January 1979.

28. THE FINANCIAL POST, Special Report, 19 February 1977; 15 February 1978; THE GLOBE AND MAIL, 28, 29 December 1977; INTERNATIONAL CANADA, December 1977, p 288; CANADA WEEKLY, 3 January 1979.

29. CANADIAN BUSINESS, February 1979, p 27; THE FINANCIAL POST, Special Report, 15 April 1978; THE GLOBE AND MAIL, 28 November 1978; MACLEAN'S, 4 December 1978, p 28.

30. THE FINANCIAL POST, Special Report, 15 April 1978; THE OTTAWA CITIZEN, 9 December 1978; CANADIAN BUSINESS, February 1979, p 27.

31. INTERNATIONAL CANADA, December 1977, p 285; THE TORONTO STAR, 9, 31 May 1978.

32. THE TORONTO STAR, 31 May 1978.

33. CANADIAN NEWS FACTS, 4 June 1978, p 1951; CANADA WEEKLY, 14 June 1978.

8588
CSO: 1803

WOMEN'S EQUALITY: THE SEVENTIES IN REVIEW

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80 pp 41-49

[Article by Ye. N. Yershova]

[Text] The 1970's are now behind us, and today not only government officials and public spokesmen, but also average Americans, are trying to review this decade and take a look into the future. This also applies to the millions of American women who stubbornly fought for their own rights throughout the entire decade.

The beginning of the past decade coincided with a dramatic upsurge in the movement for "women's liberation."[1] It loudly announced its presence on 26 August 1970 at a demonstration involving 10,000 participants in New York, commemorating the 50th anniversary of the first victory of the American suffragettes--the adoption of the 19th amendment to the U.S. Constitution, which gave women the right to vote. This demonstration marked the beginning of a new and lengthy campaign for the adoption of the 27th amendment to the U.S. Constitution, proclaiming sexual equality. Around 2 years ago, in July 1978, 100,000 women took part in the largest women's demonstration in U.S. history, demanding that this amendment, which was passed by the Congress in 1972, finally be ratified. The mass scale of this demonstration and the participation of women representing all of the largest labor unions, numerous women's organizations and ethnic minority organizations vividly illustrated how far the women's movement had come in the 1970's.

Both demonstrations were initiated and organized by the National Organization for Women (NOW). This organization, which was founded in 1966 by 28 feminists headed by Betty Friedan, not only attracted attention but also won the sympathy of the general public with its appeal for "action to gain full and active participation by women in American life NOW."[2] It appealed primarily to women, who are constantly encountering discrimination and are being treated like "second-class citizens" on the job and in the home. Given the fact that objective prerequisites[3] for the formation of a women's movement as a separate and independent area of democratic struggle had fully taken shape in the United States, this sympathy quickly evolved into active participation by women in the work of NOW and other women's organizations.

The number of associations of this kind constantly rose throughout the 1970's, and although some of them turned out to be unstable and quickly ceased to exist, the process of the creation of new organizations and groups in support of women's rights is still going on at all levels--federal, state and local. They already number in the hundreds. A broad coalition of women's organizations has been functioning since 1971--the National Women's Political Caucus (NWPC), originally created for the purpose of encouraging participation by women in the 1972 presidential election campaign. It now has more than 200 branches in all 50 states. An organization called ERAmerica was formed expressly to campaign for the ratification of the 27th amendment to the Constitution, proclaiming equality before the law regardless of sex.[4] But NOW is still the most influential and largest of these associations. During these years, its membership rose to over 100,000 and it now has branches in all of the states and large cities in America. The numerous political campaigns successfully conducted at NOW's initiative throughout the decade have made it a visible force in national politics.

The sociopolitical character of the movement did not change over the last 10 years--it was and is democratic. Its basic goals and objectives did not change either--the transformation of the "sexist" society--that is, the society lacking in sexual equality--by means of reforms intended to eliminate discrimination against women and the conditions giving rise to it. According to the women's movement, the attainment of this goal will first necessitate the ratification of the 27th amendment and the repeal of all laws discriminating against women (mainly state laws), as well as proportional representation for women in elected offices of federal, state and local government, political organizations and their leadership. Great significance is attached to the modification of public thinking and existing stereotypes, the eradication of biases and attempts to develop new forms of interpersonal relations. The realities of life have forced women and their organizations to give increasing attention to the struggle for women's rights in other spheres as well--equal wages for equal work, equal educational opportunities, laws favoring women in cases involving divorce, protection of the rights of mothers, the establishment of a child care network, etc.

On the whole, the forms and methods of activity employed by the women's organizations, which stem from their reformist nature and are aimed at the exertion of pressure on legislative and executive bodies at all levels, have not changed either. Women's organizations engage in widespread lobbying, take an active part in election campaigns, strive to use the press, radio and television in their interest and conduct educational and propaganda activity. They also resort to mass demonstrations, protest marches and even nonviolent civil disobedience--methods inherited from the social protest movements of the stormy 1960's. They have also armed themselves with the boycott. For example, women's organizations announced that they would boycott the capitals of states that have not ratified the 27th amendment. The subsequent cancellation of conventions and other undertakings by various social organizations inflicted losses exceeding 250 million dollars on these states.[5] But nothing in the program or the concrete actions of the neofeminists, by their own admission, can affect the "basic social, political or economic institutions...of capitalist society."[6]

Nonetheless, the women's rights movement has undergone significant changes in many of its aspects over the last 10 years. The most important of these is the expansion and democratization of the movement's social base.

The basis of the movement in the 1960's consisted primarily of women representing the intelligentsia and middle strata, well-to-do and educated women, many of whom had careers in business, politics, law, teaching and journalism. Although they did not limit their demands specifically to women's problems (which was a step forward in comparison to the feminism of the beginning of this century), their views and their activities were marked by class limitations.

In addition, the founders of "women's liberation" included many women from the "New Left" movement, young and energetic women with radical views, who brought along their useful experience in political struggle, but also the negative elements of the petty bourgeois extremist ideology. They often called themselves "socialist-feminists," although there was nothing socialistis about their views except for the way they phrased them. This branch of the women's movement preached extreme forms of struggle and appealed for a "feminist revolution." But if we discard the verbal trappings of their deliberately "shocking" slogans, we can see that their sermons were essentially based on views that differed little from the ideology of the liberal reformist part of the movement. Both branches denied the connection between the women's rights movement and the class struggle in contemporary capitalist society; they regarded women as a separate "class" or as a "fourth world" opposed by male antagonists. "The biggest problem in the world today is man's exploitation by man. But there is an even greater issue, which no revolutionary has ever even tried to analyze in its entirety or, certainly, to resolve. This is the issue of woman's exploitation by man"[7]--this supposedly "Marxist" statement by Kathleen Cleaver is typical of the extremist part of the movement. This approach to questions of Marxist doctrine has unavoidably led many to the false conclusion that exploitation of women exists in any social structure--"whether it is communist, capitalist, semisocialist (?), bourgeois--all of them."[8] This is why, consequently, it is necessary to fight against men and all of the institutions created by them, but first and foremost, naturally, against marriage and the family, as the institutions touching most closely upon the interests of women.

In the late 1960's and early 1970's the "socialist-feminists" tried to practice what they preached. In some places, groups with pretentious names were formed ("Redstockings" and "Bread and Roses") and women's communes were established as the prototype of the future nucleus of a free society. By the middle of the decade, however, most of these had disintegrated. The few that remained managed to lose their social significance. At that time, the "socialist-feminists" either left the movement or joined liberal-reformist women's organizations. Moreover, by preaching the dissolution of the family unit and demanding "equality" for lesbians and homosexuals (including equality in the teaching profession), they are hurting the women's movement by discrediting it in the eyes of many Americans who are worried about the future of their families and children. In this way, they are objectively helping antifeminist forces, which are taking advantage of these "slogans."

In the beginning of the 1970's, the number of working class women belonging to women's organizations was insignificant, although they needed to defend their rights more than other women did. After all, the millions of working women have suffered and are still suffering from a specific type of discrimination. The firmly entrenched discrimination in the payment of wages, the acquisition of professional training and professional advancement and the absence of legislation to protect the interests of working mothers--all of this makes their fight for equality vitally important. The heavy burden of working women is compounded by the fact that the overwhelming majority of them do not belong to labor unions and do not enjoy the protection of collective bargaining. What is more, the AFL-CIO leadership itself widely practices a policy that encourages discrimination against women.

In the 1970's, working women began to fight more vigorously for their rights (within the women's and labor movements) and won some definite victories. During these years, more than half of all new union members were women. They accounted for 25 percent of all organized workers by the end of the decade, in comparison to 10 percent in 1956.[9]

Women played a significant part in the formation and functioning of new labor unions--of medical personnel and agricultural workers--and made an attempt to organize an office workers' union (almost all clerical jobs are held by women, and these women have virtually no legal protection). In 1979, 13 local organizations of women secretaries and other office workers founded the National Association of Working Women.

The founding of the Coalition of Labor Union Women in 1973, uniting representatives of 58 professional associations, was an important event. The next year, 1974, another working women's organization appeared on the political scene--Women for Racial and Economic Equality, made up primarily of rank-and-file union members and representatives of racial minorities. Although working women's organizations in the United States are still influenced mainly by the neofeminist ideology, the very creation of these organizations marked the beginning of a process by which a new current took shape in the American movement for equality for women. Only a working women's movement, indissolubly connected with the struggle of the working class for its social liberation, can achieve real equality for women in society in the future.

The increased activity of working women influenced the views of liberal-reformist women's organizations. They, as was mentioned above, no longer limit themselves to demands of an expressly judicial nature, but are mainly defending equality in the sphere of labor and social relations. They are taking an active part in the movement for the unionization of working women (or the formation of women's labor unions), are insisting on their promotion to administrative positions in labor unions and are demanding their participation in decision-making in various spheres of public life. The rising rate of unemployment among women, which escalated dramatically in the years of economic crisis (1974-1975), advanced the fight against unemployment and for the creation of new jobs to a position among the top priorities of women's organizations. At the end of the decade, these organizations also took a clear-cut stand on a major issue in today's America--the existence of special quotas which make it easier for members of groups suffering discrimination (that is, representatives of racial and ethnic minorities and women) to find jobs and enroll in academic institutions. The decision of the U.S. Supreme Court in the Bakke case on the "unconstitutional" nature of these quotas evoked widespread protests from all democratic forces, including the women's movement. The reestablishment of these quotas is now regarded as one of the chief goals of the fight to eliminate discrimination against women in the sphere of labor relations, education and science.

Another important result of the past decade was the women's movement's increased awareness of its indissoluble connection with the fight against racism. In the 1970's this movement was joined by black and Puerto Rican women and representatives of other minority groups. In 1973 the National Organization of Black Feminists was founded, and within a year it already had branches in 10 cities. The Organization for Action by Black Women began operating on the West Coast at the same time. The strengthening of the women's movement's ties with antiracist forces is also discussed in the National Program of Action adopted at the National Women's Conference in Houston in November 1977. It lists the main goals of the movement, among them the elimination of all signs of racial inequality and the institution of special measures to lighten the burden of black, Puerto Rican and Chicano women, immigrants from Asia and others.

Throughout the 1970's, working women and representatives of racial and ethnic minorities were constantly urged to join the women's movement. "The increasing influence of working women, primarily blacks and other women subjected to oppression on ethnic grounds," G. Hall stressed in his accountability report at the 12th Congress of the Communist Party, USA in August 1979, "has led to a new level of solidarity between leading women's organizations and to their realization of the need to fight against racist ideas and discriminatory practices, which are threatening to break up the women's movement."

Therefore, the women's rights movement not only preserved its mass character in the 1970's, but also expanded and democratized its social base.

One of the great services performed by the women's movement throughout the entire decade was its vigorous participation in the fight for peace and against militarism and the threat of war. In this respect, women's organizations have carried on their own best traditions, dating back to the time of the struggle to stop the aggression against Vietnam. In the 1970's they consistently and persistently demanded cuts in the defense budget and objected to new armament programs--the B-1 bomber, the Trident and MX nuclear missile systems, and the winged missile. Demonstrations against the production of the neutron bomb were particularly massive in scale. In 1978 and 1979, women's organizations energetically joined the campaign in support of the SALT II Treaty. One of the most active women's peace organizations--Women Strike for Peace--appealed to senators to approve the treaty, as it is in the national interest of the United States, and declared that it saw no basis for the hopes of the treaty's opponents to wrest unilateral political concessions from the USSR by obstructing the Senate's examination of the treaty. Many other women's organizations supported the treaty--NOW, the Women's International League for Peace and Freedom, the League of Women Voters, the Association of University Women and others. A coalition organization was formed, "Women for SALT and Arms Control," which takes the stand that the SALT II Treaty is totally in line with the vital interests of the Soviet and American people and the interests of international security.

During these years, the elevation of the American woman's consciousness was noticeable and she became more active politically. Under the influence of the women's struggle for equal rights, changes took place in public thinking. More and more men began to not only sympathize with the women's fight for equality, but also to assist them in this fight. They included politicians, public spokesmen, labor leaders, activists from other public organizations and simple average Americans, who were not only able to see woman's status in society in a new way, but were even influenced by the movement to treat the members of their own families differently (which is sometimes more difficult). By the end of the decade, most of the men in the United States sympathized to some degree with the women's struggle; according to the data of Harris and Gallup polls, two out of every three respondents supported the campaign for the ratification of the 27th amendment. These processes also influenced, in particular, American beliefs about the "ideal woman of the 1970's." Even judging by TV commercials and the covers of popular magazines, she was more likely to be an independent, self-confident working woman, and not just a housewife or "playmate."

Proof of the movement's success can be seen in the changed attitudes of ruling circles, the forces which call the tune in politics. The movement can no longer be ignored. Both G. Ford and J. Carter met with representatives of the female population immediately after their inaugurations to assure them of support. Women also appeared in the top echelon of the power structure--right up to the level of cabinet members, state governors and mayors of big cities. The National Committee of the Democratic Party passed a resolution on the equivalent representation of men and women at the conventions of this party. This principle was first implemented at the Democratic mid-term convention in 1978 and will be maintained in the 1980 campaign as well. The Republicans also recommended equal representation for men and women at their party conventions, but they did not make this balance mandatory.[10]

The popularity of the women's movement was vividly illustrated by the National Women's Conference in Houston at the end of 1977, which was attended by 14,000 delegates from all states. The conference was organized with the administration's support (and was partially made possible by its financial assistance). Incidentally, the administration tried to use this conference in its own interest by turning it into a grand-scale political advertisement. But the conference took a different direction--that of a responsible discussion of the inferior status of women--and drafted a national program of action, outlining the necessary steps for the modification of the existing state of affairs.

Ruling circles are doing their utmost to shelve this document, in which, in addition to the objective of formal legal equality, a prominent place was given to the need to protect the interests of working and non-white women, the protection of the rights of mothers and infants and other social demands. The administration's total lack of desire to carry out this plan became absolutely clear after President J. Carter dismissed Bella Abzug, one of the leaders of the women's movement, from her duties as chairman of the advisory committee on women's affairs. The reason for his action was Abzug's uncompromising stand on issues connected with the implementation of this plan; besides this, she made several public statements against the administration's intention to pad the defense budget even more by making cuts in social programs.

The administration, just as other representatives of the ruling elite, prefers a policy of minor concessions and political flirtation with this largest group of American voters. For this reason, a two-sided process can be seen. It is obvious that the feminine consciousness has been elevated and the mass mentality has undergone an evolution. But these processes have not been adequately reflected in the political decisions of ruling circles or in legislation. There are still more than 800 laws in effect in the United States (mainly state laws) which suffer, to put it mildly, from a prejudiced view of women and are sometimes absolutely absurd in their denial that women are equal to men.[11]

The fate of the 27th amendment has still not been decided, although the 7 years allowed for its ratification by 38 states (according to the Constitution, these are the requirements for it to become law for all states) were up in March 1979. In the last few years, not one state has joined the 35 which approved the amendment in the first half of the 1970's. Moreover, women's organizations had to put forth a great deal of effort to convince Congress that the attempts of some states to reverse their previous positive decisions should be branded illegal.

Another area of struggle over the amendment was the broad campaign to extend the deadline for ratification specified by law. For this purpose, in 1978, the year of the mid-term elections, NOW, the NWPC, ERAmerica and the League of Women Voters concentrated on assisting the particular candidates for elected office on all levels who support the 27th amendment. They were successful: Congress postponed the deadline for ratification until the middle of 1982. Support for the 27th amendment has been expressed by a multitude of the most diverse public organizations and the largest labor unions. The results of public opinion polls testify that most Americans support the ERA, including the inhabitants of states which have not ratified it. Several state legislatures voted against the amendment even though an average of two out of every three inhabitants of their states, according to public opinion polls, favor ratification.

Besides this, 14 states have already included articles on sexual equality in their constitutions. Therefore, the 27th amendment is actually already in effect in some parts of the United States and is refuting the lies of rightists, who are frightening American women by telling them that if the amendment is ratified, they will lose their families, their daughters will be drafted into the army, they will have to pay alimony to men if they divorce them, and so forth.

Women's organizations have resolved to concentrate most of their activity in the 1980 campaign in states which have not ratified the 27th amendment and, on the national level, to organize a campaign in support of congressmen and senators who have proved that they support women's equality. NOW has called upon all women to unite their efforts and ensure that the "1980 elections protect and broaden women's rights."[12]

The equal rights movement is experiencing a difficult time in its development as it enters the 1980's. On the one hand, it is more massive in scale, rests on a broad social base and enjoys the support of part of the ruling elite, the majority of the intelligentsia and many representatives of middle strata. Its cooperation with working class and ethnic minority organizations is increasing and becoming stronger. It is attempting (and with some degree of success) to influence decisions on a broader variety of domestic and foreign policy issues. On the other hand, its actual achievements in the sphere of women's equality are extremely modest and tenuous, and in some areas it has even lost ground and must struggle persistently to prevent further regression. The causes of this can be found in processes occurring in the women's movement itself and, most important of all, in the overall balance of power in U.S. politics.

By the mid-1970's, women had gained the right to engage independently in business, financial and credit operations, to sit on juries and even to be ministers--that is, the issues with which bourgeois women were most concerned were positively settled. Moreover, the civil rights act of 1964 (the seventh articles of which prohibits discrimination of any kind, including sexual) became the means by which women possessing the necessary resources and legal knowledge acquired an opportunity to defend their rights. The demands of the majority of women from the working class, labor intelligentsia and racial minorities, however, essentially remained unsatisfied. It turned out that the successful women in the movement's ranks were often less interested in the resolution of acute social problems than in encouraging new social groups to join the women's movement and--as a result of this--the general democratic struggle. It was precisely this that caused the abandonment of the movement by some members and the polarization of forces within it.

The decline in democratic struggle and the increased activity of reactionary forces in these years contributed to a shift to the right in the attitudes of ruling strata. This resulted in the consolidation of antifeminist forces, which, backed up (and financed) by the right-wing organizational structure and by the generous "contributions" of the Catholic Church, began to form their own organizations. This is how STOP-ERA, the American Life Lobby, the National Right to Life Crusade and other similar groups came into being. They most often attacked state laws giving women the right to terminate pregnancies at their own discretion (the Catholic Church and closely related political forces categorically deny that women have a right to seek abortions). The abortion right in several states was won by the women's movement after a lengthy and extremely persistent struggle and is regarded as one of the movement's most significant victories. It was not until these laws were passed in the 1970's that women in the United States, the most "progressive" nation in the West, could (and even then, not in every state!) make a conscious choice regarding motherhood, and family planning actually became possible. The antifeminist organizations opposing the movement are giving no thought to the price women will have to pay, with their health or even their lives, if the sanctimonious constitutional amendment, proposed by rightist forces, guaranteeing unborn infants the "right to life," is imposed on the nation. According to the correct opinion of PROGRESSIVE magazine, the policy of reactionary forces in this matter "objectively signifies the imposition of religious morality and an attempt to undermine the separation of church and state."[13]

The actual goal of these forces is even broader--to stop the growth of the democratic women's movement and, wherever possible, to liquidate its gains. Naturally, they oppose the 27th amendment, and this is not all they oppose. According to Phyllis Schlafly, the leader of the antifeminists, the 27th amendment is "absolutely unnecessary" for the achievement of equal rights, and such important amendments as the 14th, 15th and 19th[14] were also "unnecessary to America."[15]

The organ of the steelworkers' union, STEELABOR newspaper, cautioned its readers that "the groups which are opposing the Equal Rights Amendment and are misinforming [for this purpose] the public...are the same rightist groups which speak out against the reform of labor laws, against the Humphrey-Hawkins Bill. [against the guaranteed] minimum wage and other important questions whose resolution will benefit all workers."[16]

In addition, the same groups support increased military spending, the policy of interventionism in international affairs, and programs for the development of new weapons of mass destruction and are trying to subvert the ratification of the SALT II Treaty. Therefore, questions connected with equal rights for women are now more often the central issue in confrontations between political forces.

We must agree with Shirley Chisholm, the first black woman ever to be elected to the U.S. Congress, that "antifeminism, just as any other form of discrimination, is destructive for women and for those who practice it.... No one in America has escaped the wounds inflicted by racism and antifeminism."[17]

It is the duty of the women's movement to not only ensure that the majority of American citizens fully exercise the rights proclaimed in the laws of this nation, but also to help America heal these wounds.

American women have taken only the first steps on the long and precarious road leading to this goal. In the present decade of the 1980's, they will have to fight new and--there is every reason to hope--successful battles in this field.

FOOTNOTES

1. In the American literature of those years, the women's movement was called "women's liberation" or "women's lib" for short. Later, the term "women's rights" became more popular.

2. In this appeal, there is a play on words--the English word "now" is the same as the acronym for the National Organization for Women--NOW.

3. For more detail on the status of women in American society and the prerequisites for the formation of a women's movement, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 3, 1978, pp 57-63, and No 3, 1979, pp 32-41--Editor's note.

4. The name of this organization--ERAmerica--is a combination of the word "America" and the acronym of the 27th amendment--ERA (Equal Rights Amendment).

5. SEVEN DAYS, August 1978, p 7.

6. WOMEN, A JOURNAL OF LIBERATION, vol 2, No 4, p 10.

7. THE BLACK SCHOLAR, December 1971, p 54.

8. Ibid.

9. GUARDIAN, 18 October 1978.

10. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 4 August 1979, p 1615.

11. "Statement on the ERA. U.S. Commission on Civil Rights," December 1978, p 2.

12. NATIONAL NOW TIMES, September/October 1979.

13. PROGRESSIVE, March 1979, p 29.

14. The 14th and 15th amendments to the Constitution gave blacks the right of citizenship and the right to vote, and the 19th gave women the right to vote.

15. NATIONAL NOW TIMES, September/October 1979.

16. STEELABOR, January 1979, p 9.

17. THE BLACK SCHOLAR, December 1971, p 19.

8588
CSO: 1803

A CONTRADICTORY DECADE (TRENDS IN AMERICAN LITERATURE AND ART)

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80 pp 50-60

[Article by A. S. Mulyarchik]

[Not translated by JPRS]

CSO: 1803

THE TORIES AND WASHINGTON: REVIVAL OF THE 'SPECIAL RELATIONSHIP'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 61-66

[Article by V. F. Davydov]

[Text] Margaret Thatcher's first official visit to the United States last December proved, as foreign political correspondents noted, that the tradition of coordinated political actions and informal consultations between Washington and London, which was characteristic of the "special relationship" of the past, is being revived. The agenda of the talks conducted during this visit took in a great variety of military-political and economic issues facing the United States and England at the beginning of the 1980's. The U.S. President and English prime minister discussed the American-Iranian crisis, the situation in Rhodesia, the Middle East and Northern Ireland, East-West relations, relations with developing countries, international economic, energy and trade problems and currency and financial questions. Talks about the "modernization" of NATO nuclear weapons and continued bilateral cooperation in questions of military strategy between Washington and the Tory Government occupied a prominent place.

Washington's reaction to the news of the Conservative victory in the May 1979 elections was guarded. In contrast to the Labor Party, Conservatives believe that relations with Western Europe would deserve more attention than relations with the United States after England's entry into the Common Market. The events of the "Year of Europe" (1973) were still fresh in the memory of American ruling circles. At this time, when the Conservatives were in power, they tried to undermine the United States' dominant position in the "Atlantic world" for the sake of attaining their own objectives in the EEC. Some people in Washington then felt that the "Americans and the British were on different sides of the barricade" and that the "special relationship" between the two states was coming to an end. In the Western European capitals, on the other hand, the victory of the English Conservatives in the last parliamentary elections aroused unconcealed delight. For example, France's LE MONDE DIPLOMATIQUE reported that the Thatcher Government had a more positive outlook than the Labor Party in regard to Western European integration and "intends to preserve a certain distance" in relations with the United States.

To the unconcealed relief of the Americans and the disillusionment of England's EEC partners, these expectations were unjustified. The Tories began conducting their European policy by demanding the revision of the terms of England's membership in the Common Market and, in particular, a reduction of 1 billion pounds sterling in its contribution to the EEC agricultural fund. It is true that they did not threaten to withdraw from the EEC as the Labor Government had, but they did make it clear that they intended to take energetic actions within the community and subvert any community initiatives if London's interests should not be properly satisfied. At bilateral meetings between M. Thatcher and the heads of the FRG and French governments and at the Dublin talks of the leaders of the "big nine" in November 1979, dramatic differences of opinion between London and other EEC members were expressed on matters of agrarian policy, currency and finances, energy, trade, regional development and fishing.

The deterioration of London's relations with its EEC partners, primarily France and the FRG, was accompanied by the improvement of relations with the United States. At the June 1979 Tokyo conference of the heads of government of the industrially developed capitalist countries, London sided more with Washington than with Western Europe. For example, England supported the American plan, in accordance with which most of the burden of overcoming the economic crisis would be taken on by the "two locomotives" of the FRG and Japanese economies; London persisted in using the American dollar as the point of reference in currency and financial questions. In the approach to energy problems, England, which has become an exporter of oil, was even further removed from its partners. In questions of nuclear power engineering, cooperation developed with the United States, and not with Western Europe.

The intensive interpenetration of U.S. and English capital, which serves as the basis for joint economic ventures, continued throughout the 1970's. Whereas American capital investments in England totaled 7.2 billion dollars in 1969, the figure was 20.3 billion in 1978. In turn, English capital investments in the United States were equal to 7.3 billion dollars in 1978, surpassed in volume only by Dutch capital investments.

Great Britain's latest move in the direction of the United States in the economic sphere is due to the collapse of English ruling circles' hopes of correcting the situation with the aid of membership in the EEC. When England became a member of the Common Market, it encountered fierce competition on the part of other, more dynamic Western European monopolies and political competition on the part of France and the FRG, which had absolutely no intention of helping England for charitable purposes. Close to a decade of membership in the EEC did not save Great Britain from low labor productivity, commodities with little competitive potential and chronic recession in industry. "The English economy is gravely ill"--this is the underlying theme of all diagnosis pronounced by leading Western experts. All of the industrially developed countries except Italy are ahead of England in terms of economic growth rates. In terms of per capita income, it is now in 20th place in the capitalist world, surpassed even by its own former possessions--Canada and Australia. At the same time, the rate of inflation here is one of the highest in the West--17 percent in 1979. There are 1.4 million unemployed, and FORTUNE magazine predicts that the number will rise to 2 million by 1981. Revenues from the sale of North Sea petroleum have not eradicated the chronic deficit in the balance of payments, which was close to 3 billion pounds sterling in 1979. The British press had to acknowledge the pitiful results of England's membership in the EEC and the dismal prospects of the British economy. According to the authoritative ECONOMIST journal, "England is the third poorest EEC member, after Italy and Ireland." The attitude of the GUARDIAN is even more pessimistic: "Not one nation in the world has changed from a developed country into an underdeveloped one. It is possible that Great Britain will be the first to take this road."

The situation is completely different in the military sphere: London is still the second strongest (after the United States) NATO member. England has nuclear weapons, and its navy, according to English experts, is in third place in the world. British military contingents are still stationed in the FRG. Despite the severe economic crisis, military expenditures are still rising in England. In 1979 they reached 10 billion pounds sterling (in 1977 they totaled 6.5 billion). Measured as a percentage of the gross national product, these expenditures are the highest in Western Europe--4.7 percent (in the FRG, for example, the figure is 3.3 percent). London was one of the first to implement the May 1978 NATO Council session's decision to increase military spending by 3 percent each year.

However, the process of international detente on the European continent and the improvement of the political climate, particularly after the successful conclusion of the Conference on Security and Cooperation in Europe in 1975 and the stipulation in its Final Act of the principles governing new relations between states of this continent, have caused the factor of military strength to lose more and more value and have advanced the factors of cooperation in the economic, scientific, technical and cultural spheres to the fore. It is indicative that England is far behind its EEC rivals--France and the FRG--in terms of level and volume of economic relations with the socialist countries. Under these conditions, it has been extremely difficult for English ruling circles to realize their ambitions in the international arena. England's Western European partners have had absolutely no desire to take the so-called contribution to "security" into account in the resolution of economic problems.

The idea of a "political gambit" arose in circles which had come to power and were feeling nostalgic about Great Britain's lost global influence: The idea of playing up to militaristic circles in the United States and Western Europe so that the Western allies would realize that England still took the lead in questions of so-called security and would respond to its economic problems with the "proper understanding."

The policy line mapped out by the Tories envisaged more active NATO military preparations and the coordination of U.S. and English military policy in questions of anticommunist strategy--in other words, the revival of "special military-political relations" with the United States to the detriment of the process of international detente.

In one of her first public addresses, Prime Minister M. Thatcher announced that England intended to continue augmenting its contribution to "Western security," and London immediately increased its military expenditures by 400 million pounds sterling. The "axe of economization" struck at social expenditures and did not touch military appropriations. In a TIME magazine interview in May 1979, M. Thatcher declared that the Conservatives deeply regretted the postponement of the production and deployment of the neutron bomb in Europe. England played a leading role in the political persuasion of NATO allies to consent to the deployment of American "Eurostrategic" weapons on their territory. At a "Eurogroup" meeting and NATO Council session in December 1979 London acted in concert with Washington.

The Soviet proposal that the reduction of medium-range nuclear forces in Europe be negotiated as soon as possible was opposed adamantly by London on the hypocritical pretext that disarmament should be preceded by the "upgrading" of weapons. Even before the December NATO Council session, London consented to the deployment of 160 missiles on the British Isles.

This zeal earned enthusiastic commendation in Washington at a time of continuous wavering in the NATO camp. At a White House reception honoring M. Thatcher, President J. Carter addressed her, stressing that "the recent decision made in the European community by members of the Atlantic Alliance in regard to tactical nuclear forces bore the positive marks of your firm leadership." An Anglo-American statement calls upon the "European allies to participate in every measure to strengthen collective defense" along with the United States and England.

Joint aggressive preparations are being carried out to the accompaniment of incessant anti-Soviet and anticommunist appeals by the Tories, who are tirelessly trying to "enlighten" their Western allies, seemingly worried that the latter will have second thoughts and say "no" to the escalation of tension in East-West relations. In her speech to the Foreign Policy Association in New York, the English prime minister advised American ruling circles to renounce all "doubts" and move from "self-analysis to action" to ward off the "communist threat."

In January 1980, when Washington launched a rabid anti-Soviet campaign, using the Soviet Union's military assistance of Afghanistan at the request of the Afghan Government as an excuse, England was the first and only NATO country to immediately respond to Carter's appeals for the curtailment of contacts with the USSR.

It should be noted that English diplomacy has always been distinguished by an ability to use the anticommunism of U.S. ruling circles in its own interests. Churchill's speech in Fulton in 1946, which announced the "official" beginning of the West's cold war against the USSR, provides ample proof of this. The situation was the same in 1957, when the Soviet Union launched a satellite and London immediately joined in the hysteria over the West's "nuclear missile lag," achieving exactly what it had hoped for: In 1958 President D. Eisenhower sanctioned cooperation with England in the nuclear sphere for "security" purposes, and it was on this basis that Great Britain's nuclear forces were established with American assistance.

London resorted to the same tactics in 1979. During the course of their talks, M. Thatcher and J. Carter touched upon a question which could not escape the attention of foreign political correspondents, in spite of mutual attempts to avoid publicity--this was the question of the future of English nuclear forces.

It is no secret that the nucleus of England's strategic forces consists of four submarines armed with Polaris missiles. These were purchased from the United States back in 1962 at a low price, due to the "special relationship," after H. Macmillan's meeting with J. Kennedy in Nassau. In exchange, London opened its naval bases in England (in Holy Loch) to American submarines carrying Polaris missiles. According to Western experts, the nuclear systems purchased from the United States will be obsolete by 1990. English ruling circles now face the prospect of replacing them with more modern systems. The calculations of prominent English experts, particularly J. Smart, former director of the London International Institute of Strategic Studies, indicate that the independent modernization of these forces would cost England 5 billion pounds sterling and, considering its present economic difficulties, would be an extremely painful task. The line of nuclear cooperation with France, England's EEC partner, does not appear very promising as expenses would be borne equally. The most preferable alternative, in the view of English experts, would be the purchase of the American Trident missile system, which would cost "only" 1 billion pounds. At the same time, as Admiral Hill Norton cautioned in the 15 September 1979 issue of the ECONOMIST, "the prime minister should not expect fate to offer a second tasty morsel," as was the case in 1962 with the Polarises. According to H. Norton, Washington is not likely to respond graciously to Great Britain's request for assistance in the modernization of its nuclear forces.

When the Conservatives took office, they refuted all of the "Hamletlike" doubts of the Labor Party: England's new nuclear forces--to be or not to be? For the Conservatives, judging by official statements, nuclear weapons still represent the main trump card in their attempts to enhance Great Britain's international prestige and accomplish the planned "political gambit." But the acquisition of the Trident system will presuppose close military-political cooperation with Washington, and London has therefore decided to accomplish the planned transaction as soon as possible. The political price will include extensive cooperation with Washington in its global anticommunist strategy--in Europe, in Africa, in the Indian Ocean region and in the Far East. London has also made a sizable advance payment by making its territory available for American missiles. At present, according to reports in the Western press, the Pentagon is seeking opportunities to expand the network of American bases in England, particularly air fields for the F-111 planes, which will carry winged missiles.

It is difficult to say at this time whether England's advance payment for the planned transaction is sufficient. There are signs, however, that Washington is prepared to meet London halfway. On 29 November 1979, President J. Carter recommended that the Congress approve a bill amending the 1958 U.S.-English agreement on cooperation in the use of nuclear energy for the purpose of mutual defense, which envisages the renewal of this agreement for another 5 years and the possibility of nuclear transactions. The sparse phrases of the joint Anglo-American communique regarding the preservation of English nuclear potential ("the two governments agreed to continue discussing the most appropriate ways of attaining these goals in the future") conceal the fierce bargaining being conducted by these allies, with their "special relationship" dictating the price.

No matter how the Tories try to pass their nuclear ambitions off as worries about Western "security," there is no doubt that these ambitions will be directed over the long range against their partner-rivals in the capitalist world under the conditions of the continued decline of English influence in the EEC and in the entire world and under the conditions of the fierce inter-imperialist struggle over economic issues. London hopes to exchange its "military assets" for economic and political concessions from France, the FRG and even the United States. It is no coincidence that English officials attending the summit meeting of EEC members in Dublin pleaded with the EEC to comply with England's demands to take England's great contribution to "European security" into account and reduce its contribution to the agrarian fund accordingly. But the Western European leaders remainded deaf to London's appeals.

Doubts about the success of the Tories' "political gambit," connected with the revival of the "special relationship" with the United States and the subversion of detente, are creeping in to some segments of English ruling circles, disturbed by the continuous decline in London's prestige.

Just before M. Thatcher's visit to Washington, the English OBSERVER warned the Conservatives against exaggerated obsessions with the buildup of nuclear weapons, which could have a pernicious effect on England's economy and its role in the world. "If the prime minister is seriously concerned about the international situation, she should revive Great Britain's role in East-West relations. A trip to Eastern Europe in the coming year would be the best way of doing this."

An official statement published at the conclusion of the visit contained no shortage of mutual assurances regarding the "exceptionally close relationship" between the United States and Great Britain and the need for extensive mutual political support. Washington demonstrated its approval of England's policy line in the Rhodesian question by lifting the embargo on trade with Rhodesia. In turn, London asserted that England would be the "first to support the United States in a conflict with Iran." The English GUARDIAN had the following comments to make in regard to the outcome of the talks: "The visit was exceptionally successful.... The United States and Great Britain again have a 'special relationship.'"

But the abundance of mutual courtesies and compliments at the talks in Washington could not conceal the dramatic struggle of the two Atlantic allies over questions of bilateral relations and each side's cynical hopes of winning advantages for itself.

8588
CSO: 1803

NEW WASHINGTON GOVERNMENT DEPARTMENT

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 66-70

[Article by Ye. P. Ionova]

[Text] The latest reorganization of the civil service took place in Washington last autumn. This time it affected the largest federal agency in the sphere of domestic policy--the Department of Health, Education, and Welfare (HEW).

Most of the social programs approved by Congress in recent decades have been under the jurisdiction of this department, created in 1953 by President Eisenhower. The expansion and increasing complexity of the process of social regulation, unavoidable under the conditions of escalating conflicts in the American society, gave rise to several problems impeding the effective functioning of government in this area. For example, the development of the social functions of the executive branch was accompanied by the increased bureaucratization of social program management: The department bureaucracy swelled to the bursting point on the central and local levels (it consisted of 156,000 people in 1978), there was parallelism in the work of individual subdivisions, inefficient expenditures of government funds grew, administrative procedures became increasingly complex and, finally, the necessary planning and coordination were nonexistent. Independently operating agencies with extremely diverse functions were united within the department framework: the Office of Education, Public Health Service, Social Security Administration, Office of Human Development and the Health Care Financing Administration. They, in turn, had a multitude of other independent services and bureaus under their jurisdiction. The unwieldy structure, interdepartmental confusion and unmanageability of this department made reorganization a priority question long ago. Various reorganization plans were discussed in government circles and Congress.

During the 1976 campaign, J. Carter was already proposing the creation of an independent department of education on the basis of this agency's educational programs. After prolonged debates in Congress, this proposal took on the form of a law, signed by the President on 17 October 1979. According to this law, the former combined department became the Department of Health and Human Services and a separate Department of Education was created.

In order to assess the causes and nature of the fierce political struggle that broke out over the creation of the new department in Washington, it will be necessary to touch at least briefly upon the difficulties and problems now being experienced in the sphere of American education.

Capitalism's inability to train and utilize manpower in a planned manner lies at the basis of these difficulties and problems. In the United States, as the current President has admitted, there is a "constant decline in the quality of education" and in "academic standards." The government is incapable of providing for the financial needs of secondary schools, and higher education, for which the overwhelming majority of students must pay, is largely under private control. This nation essentially lacks an integral system of national enlightenment and higher education, academic institutions depend on local interests, and local authorities not only manage government academic institutions but also bear most of the burden of their financing. The absence of a single set of academic standards, curricula and general criteria in this sphere is affecting the quality of graduating specialists at all levels. Many young people are dropping out of secondary school. But even many of those who graduate from high school do not have the necessary skills to find jobs in the labor market.

In 1977 the federal government's share of total government expenditures on elementary and secondary education did not exceed 8 percent. It is true that federal assistance to the schools increased 60 percent in the last 2 years, but it is still not having a decisive effect on the problem of educational funding. Moreover, the local tax system, which is used to finance education, is incapable of meeting its needs.

The advocates of a special agency in charge of educational matters proposed increased federal assistance to the schools and local tax reform aimed at stimulating educational spending and, consequently, at improving the quality of academic training and making education more accessible to children of low-income families. They pointed out the fact that there was no integral policy in this sphere, that the existing educational programs of various departments and agencies were unrelated, that the activities of these departments and agencies were uncoordinated and that the training of specialists on various levels was being accomplished in a manner which separated higher education from secondary, including secondary specialized, education. For example, 20 different agencies were financing various elementary and secondary education programs and 40 agencies were subsidizing higher education. The creation of a special agency was supposed to centralize the management of the academic system.

They also asserted that the establishment of this department would aid in putting an end to the constant cuts in government expenditures on education--cuts made by Congress within the context of its regular revision of social programs in the budget.[1] This would necessitate, they said, the separation of these expenditures from general appropriations for social needs and the augmentation of the political role and significance of the special agency in charge of education by putting it under the direct jurisdiction of the President, which would strengthen the authority of this agency as well as the functions of the presidency with respect to national policy in the sphere of education.

It is indicative that the idea of creating a department of education has been around for many years, and a stubborn battle over this issue was going on in Congress for all these years. In the last 70 years, more than 110 legislative proposals pertaining to this matter have been discussed on Capitol Hill. It was not until 1977, however, that the Senate Committee on Governmental Affairs began to seriously consider this matter. As mentioned above, the bill was actively supported by the President. In the Senate it was defended by C. Percy, and its advocates in the House of Representatives were F. Horton and J. Brooks, the chairman of this chamber's Committee on Government Operations.

Two distinct camps took shape in the struggle over the bill, and this battle in Congress was paralleled by a conflict between various "interest groups" exerting pressure on legislators. These disagreements primarily reflected the opposing goals of "pressure groups" representing the interests of public education on one side and higher education on the other.

The bill was supported by the National Education Association. According to the head of the association, John Rayor, this measure would not only aid in standardizing curricula and improving their quality, but would also promote racial desegregation in the schools.

The coalition favoring the creation of a department of education also included the National Association of Student Councils, the American Association of School Administrators, the Council of Chief State School Officers and the National Association of State Boards of Education. Their views were also shared by all of the organizations making up the Coalition of American Public Employees, of which the National Education Association is a member. These organizations founded the Joint Committee of Citizens for the Creation of a Department of Education, which began energetic lobbying activities in Congress.

The creation of the department was most vigorously opposed by the leadership of the American Federation of Teachers--trade unions affiliated with the AFL-CIO and uniting 250,000 educators. Its president, A. Shanker, a

---

1. Whereas expenditures on education in 1966 amounted to 11.5 percent of all HEW expenditures, in 1970 the figure had dropped to 8 percent, and in 1976 it was 5.5 percent.

rabid anticommunist and advocate of racism, headed the education commission formed at the last AFL-CIO congress. Under his supervision, the commission drafted a resolution which pointedly criticized the plan for the creation of this department.

The main argument of the heads of the American Federation of Teachers, just as of other opponents of the plan to create a department, was that the augmentation of the federal government's role would be contrary to the principles of the traditional structure of the academic system in the United States and would violate the chief principle--the sovereignty of local governments in the management of academic institutions. As Rayor pointed out, however, the actual reason for the stand taken by A. Shanker and his followers was that they saw the augmentation of the federal government's role in educational policy-making as a threat to the racial segregation they support.

In April 1979 a special committee of opponents of the creation of a separate department of education was formed at A. Shanker's suggestion. Its members included Senators D. Moynihan and S. Hayakawa and representatives of several universities, including the presidents of Smith College and Stanford University.

The "interest groups" representing the interests of higher education and the scientific community (the leading organization among these groups was the American Council on Education, uniting representatives of various colleges and universities) also put up serious opposition to the plan to create a department of education and, mainly, to the transfer of university assistance programs to the new agency. Their argument for their position was the fear that elementary and secondary school interests would be dominant in the department of education (the majority of federal programs pertain to these academic levels) and that higher education would not be given proper consideration. Among the most vigorous opponents of the department's creation was the National Science Foundation (NSF)--an organization endowed with autonomous status in the federal establishment and having an extremely important effect on scientific development in the nation. The NSF receives subsidies for the organization of scientific research from several federal agencies, including the Department of Defense and the Department of Labor. It received less financial assistance from the Department of Health, Education, and Welfare. In view of the fact that most of the research in the nation is concentrated in higher academic institutions and, according to the bill, the functions of managing higher education would be transferred to the new department, representatives of the NSF declared, the creation of a department of education would "not be in the interest of science."

It should also be borne in mind that although higher academic institutions and research establishments are interested in federal financial aid, their representatives are protecting their relatively autonomous position by opposing any increase in government intervention in the affairs of higher education and science. The administrative organ of the NSF--the National Science Council, made up of prominent American scientists and closely connected with the college and university academic community--is oriented primarily toward the private sector, toward the private universities and colleges where most of its funds go. The transfer of NSF programs to a new federal agency was interpreted by the "interest groups" representing the academic community and higher education as the infringement of the independence of academic circles and the interests of corporations connected with them, particularly university connections with the military-industrial complex.

The campaign against the creation of a department of education was also joined by bureaucrats from the departments of Defense, Labor and Agriculture and other agencies whose functions would be restricted if education-related programs were to be taken away from them.

Although the battle between the supporters and opponents of the new department ended in a victory for the former, it cannot be said that the latter suffered a defeat: They were able to remove much of the essence of the bill and achieved a compromise proposal, and it was this compromise that was approved at a session of both houses of Congress last September.

The joint session had to be called because the bills previously approved by the Senate and House of Representatives differed substantially. In the House of Representatives, where the position of the bill's opponents was stronger, they were able to push through several amendments which considerably changed the content of the bill (for example, amendments prohibiting the department of education from demanding desegregation-related busing as a condition of federal assistance). Eventually, however, these amendments were deleted from the final draft of the bill as a result of the persistent struggle of the department's supporters at the joint congressional session.

This is how the new, 13th federal department came into being. It will have an annual budget of 14 billion dollars and 17,000 employees. The new department will be in charge of 152 programs. These pertain mainly to financial assistance to elementary and secondary schools, vocational training programs, student aid and so forth.

Many important educational programs were left under the control of other federal departments and agencies. Even the Department of Health and Human Services retained control over two programs in this sphere--programs for assistance in the education of preschoolers from low-income families and educational placement services for American Indians. But the main result of the struggle of the "interest groups" connected with higher education was that the National Science Foundation did not lose a single one of its programs. This reinforced the existing autonomy of higher education, its actual independence of the government, its fragmented structure, the NSF's close connections with private business and the military-industrial complex and so forth.

Influential veterans' organizations, primarily the American Legion and Veterans of Foreign Wars, were also able to keep important programs within the jurisdiction of the federal agency with which they are closely connected (the Veterans Administration). As we know, U.S. ruling circles are trying to encourage young people to join the army by making military service more appealing, particularly by offering veterans several significant educational privileges: The government pays their tuition in higher academic institutions, offers them free vocational training, finances the rehabilitation of disabled veterans and their dependents and so forth. The military establishment would not "entrust" control over these functions to a purely civilian agency and has essentially retained this control.

President Carter appointed Shirley Hufstedler, member of the U.S. Court of Appeals in the State of California, the new secretary of education. This is her first administrative post. It is indicative that she has never had any connections with public education, but has been a member of the board of trustees of several higher academic institutions. The American press has interpreted this appointment of a prominent representative of the judicial community with little political experience to the office of secretary of education as a continuation of the President's policy of creating a "loyal cabinet" without any strong political figures. Besides this, Carter's choice reflects his desire to win the support of the women's movement, in which S. Hufstedler is quite active, on the threshold of the 1980 elections.

The creation of the Department of Education reflected the tendency toward the centralization of regulatory functions in the social sphere. But this turned out to be only a half-way measure because it did nothing to correct the fragmented state of the American educational system. The new department is supposed to exercise only the most general control over this sphere, in which the leading role will still be played by local government and, above all, district school boards. As J. Carter said at the ceremonial signing of the law creating the new department, most of the responsibility for the educational system will still be borne "by state and local government and private organizations."

8588
CSO: 1803

EXPORT CONTROLS IN TRADE WITH THE EAST

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 70-76

[Article by T. V. Kobushko]

[Text] In October 1979 the U.S. Congress extended the 1969 export regulation act for another 4 years. At the same time, numerous amendments were introduced which slightly changed some aspects of export control. These amendments could have a considerable effect on future U.S. trade with the socialist countries, especially the Soviet Union, as it is precisely against these nations that this instrument of trade discrimination is directed. In connection with Congress' decision, it would be interesting to examine the nature and workings of export control, its sources and the metamorphosis it has undergone since the time the first law was passed (1949), as well as its effect on trade in the past and present.

From the first years of the cold war, the United States used export control, along with tariff and credit discrimination, to minimize its trade with the socialist countries. In an attempt to impede their postwar recovery and their further economic development, the American authorities banned shipments of practically any kind (and not only weapons, military equipment and so forth) to the Soviet Union and other socialist countries. The "strategic" lists even included frames for graves, zippers, used clothing and so forth. Washington tried to impose the same policy on its allies. For this purpose, a coordinating committee (COCOM) was created under the United States' aegis and was joined by all of the NATO countries (with the exception of Iceland) and Japan.

Control over U.S. exports to the socialist countries was first instituted in 1948 and has remained essentially unchanged since that time. In accordance with the export regulation act of 1969 (amended), which was in effect at that time (just as the export control act of 1949), a license was needed to export any commodity out of the nation. This license could be general or individual. Commodities exported in line with a general license previously acquired by the merchant did not require any special authorization. An individual license, on the other hand, had to be renewed in each specific transaction (for the majority of commodities, it was issued by the export control office of the bureau of East-West trade in the Department of Commerce). The type of license required for each commodity was stipulated in this department's official handbook ("Export Control Regulations"), which was reissued each year.

The procedures involved in acquiring licenses were different for different groups of countries, and according to the U.S. Department of Commerce there were seven such groups. The greatest variety of commodities authorized for export with a general license, for example, could go to the two groups taking in all of the capitalist nations,[1] the majority of developing countries and Yugoslavia. The Soviet Union, the PRC and the majority of European socialist countries made up another group. Yet another consisted of Cuba, the DPRK, the Socialist Republic of Vietnam and Kampuchea--and there is still almost a total embargo in effect here.

The goals and principles of export control have mostly stayed in step with changes in the global strategy of U.S. imperialism, which has also determined American trade policy toward the socialist countries.

The export control act of 1949 envisaged restrictions on the export of military or strategic items to these countries. In 1962, in connection with the USSR's serious successes in economic, scientific and technical development, the act was amended to extend the control to the specific items which could, according to American legislators, aid in strengthening the economic potential of the socialist countries. This step contributed to the development of an approach toward export control in which the dominant consideration was the notorious "national security" in its broadest interpretation, and export restrictions were as rigid as possible.

By the end of the 1960's, when the global political and economic situation had changed radically, the United States had to reassess its policy line. The rapidly increasing economic strength of the countries of the socialist community and their greater influence in international affairs demonstrated the inability of American and world imperialism to impede our development or cause us to regress. Another factor which contributed to the reassessment of Washington's foreign trade policy was the increasingly uneven economic and political development of the capitalist countries. As a result, the United States' position as the indisputable leader of the capitalist world was seriously undermined. Whereas in the 1950's the United States could, by virtue of its unconditional economic supremacy, issue direct orders to the Western European countries and use COCOM as a means of urging them to limit shipments to the socialist countries, in the 1960's the United States' partner-rivals began to develop energetic trade with the East--that is, with the socialist states.

---

[1] With the exception of Canada, as exports to this nation are virtually unrestricted.

As a result, American companies lost their chance to acquire profitable orders from the socialist countries or found themselves unable to participate in filling the majority of the orders placed by these countries with the United States' rivals.

The data on U.S. trade with the largest socialist country--the USSR--are indicative. The restrictive trade policy throughout the 1960's diminished the U.S. share in Soviet trade turnover with the developed capitalist countries from 4 percent in 1960 to 3.4 percent in 1970. The more favorable political atmosphere of the 1970's increased the U.S. share of this trade somewhat. For a number of reasons, however, the largest capitalist power did not take first place here, as it was surpassed by other capitalist nations in terms of commodity turnover scales. In 1978, for example, Soviet commodity turnover with the United States amounted to 1,852,000,000 rubles, but the same indicator was 3,304,000,000 in the case of the FRG, 2,320,000,000 in the case of Japan and 1,971,000,000 in the case of Italy.

The failure of the policy of maximum restrictions on exports was officially acknowledged in certain phrases included in the export regulation act of 1969, which declared that "it is the policy of the United States to encourage trade with all countries." In subsequent years the tendency toward weaker control did indeed begin to prevail. For example, the list of restricted and prohibited exports to the USSR and the majority of other socialist countries, which in 1970 consisted of around 1,300 entries (and each entry could take in several types of commodities), decreased to approximately 200 entries by the end of 1979.

But the level of restrictions on exports from the United States was still higher than in other NATO countries and Japan, even though this gap was considerably reduced in recent years.

At present, the list of commodities controlled by the U.S. Department of Commerce contains 38 more entries[2] than the COCOM lists. Besides this, the more rigid control in the United States not only means that restrictions apply to a broader variety of commodities, but also that there is stronger enforcement of these restrictions. For example, 867 requests for licenses for the export of goods for a total sum of 240 million dollars were submitted to COCOM. Of these requests, 31 for a sum of 19 million were denied, and 30 of the denials were insisted upon by the United States. Delays in the consideration of requests and other factors led to a situation in which another 44 requests were withdrawn by the firms themselves.

The following elements of the export control mechanism present additional difficulties for American exporters who wish to ship restricted goods to the socialist countries.

---

[2] With the exception of petroleum, the export of which is being regulated in connection with its shortage in the nation.

Firstly, there is the need for a number of organizations to agree that an individual license should be issued--the Department of Commerce, the Department of Defense and the State Department. Amendments introduced into the 1969 export regulation act in recent years have been aimed at augmenting the Defense Department's role in making decisions on the issuance of licenses for the shipment of "commodities and technology to the socialist countries which could considerably enhance their military potential." Besides this, by a special decision of President J. Carter, the National Security Council has also been involved in the consideration of license requests since 1978. Any of these organizations can prevent a projected transaction without even stating its reasons.

Secondly, there are prolonged delays in the issuance of individual licenses, which are used to undermine projected deals. The maximum time limit for the consideration of requests by the Department of Commerce (90 days), which was instituted by Congress in 1977, has remained a meaningless formality, circumvented by the abovementioned export control office with the aid of letters informing the companies concerned that the issuance of licenses "will be delayed until after the deadline due to investigations in one or several agencies." Out of all the requests for licenses being considered in this office at the beginning of 1978, 298 took more than 90 days to be investigated, and the figure had already risen to 602 by the beginning of 1979. A representative of the Electronic Industries Association testified that more than a third of all licenses are issued after prolonged delays.

Thirdly, there are the vague criteria for the issuance of individual licenses and the establishment of new criteria related to foreign policy considerations. For example, the Carter Administration's reestablishment of control over exports of equipment for petroleum and gas prospecting and production in 1978 was purely political in nature. This is evident just from the fact that the general U.S. line of encouraging the production of all types of energy sources throughout the world was repeatedly proclaimed at the same time.

One of the results of export control has been that American companies have lagged far behind Western European and Japanese firms in the area of shipments of the most modern industrial commodities to the socialist countries. For example, the United States accounts for 30 percent of total world capitalist exports of machines, equipment, instruments and devices, but only 12.7 percent of all exports of these products to the socialist countries. These items constitute 17.2 percent of total American exports, but only 9.3 percent of U.S. exports to the socialist countries. Besides this, as the president of the American Export and Insurance Promotion League has pointed out, "on many of the middle and highest levels of technology--machine tools, turbines, reactors, jet aircraft, ships--foreign competitors from [Western] Europe, Japan and even some of the developing countries are exporting goods that approach or even surpass the best American models."

Congressional hearings in recent years have proved that even the American legislators realize that restrictions on trade with the USSR primarily harm U.S. economic interests. In particular, they have noted that "the systems set up in the past focused on the restriction of exports, and no subsequent events have been able to change this approach." Moreover, it was stressed in congressional hearings that the main obstacles faced by American exporters are the "complexity of these regulations and the unpredictability of their application."

Particularly serious objections to the existing export control system were voiced by representatives of the business community and the administrators and personnel of various departments and agencies in congressional hearings in May-October 1979 on the question of extending the export regulation act of 1969 to 30 October 1983. Criticism of this type of control as a major obstacle to the development of exports was also voiced by representatives of the National Association of Manufacturers, as well as associations of businessmen in various branches of the processing industry. Speakers pointed out the negative effects of export restrictions on the American economy, the U.S. balance of trade, employment, and investments in scientific and technical research.

For example, the president of the National Association of Machinists said that in the case of machine tools, the U.S. "share in world exports decreased over 14 years...by almost two-thirds. In 1978 the socialist countries accounted for 50 percent [cost volume] of all machine tools used outside the United States, but our industry sent only 1 percent of the total product to this vast market." It was stressed that difficulties in the acquisition of licenses and the entire mechanism of COCOM restrictions were "hurting American industry."

The main arguments cited in American business circles to substantiate the need to liberalize export control can be summed up as the following.

Firstly, attempts to impede the economic growth of nations in the socialist community with the aid of restrictions on exports of "strategic" goods are useless. The futility of these efforts is also due to the fact that they have virtually met with no support from the United States' allies, and the socialist countries can usually find other means of acquiring the majority of commodities or can produce them themselves.

Secondly, this kind of export control has a negative effect on the U.S. economy; the difficulties and uncertainty involved in the acquisition of export licenses are undermining the competitive potential of American companies. The socialist countries prefer to deal with other, more reliable suppliers. For many types of modern equipment, particularly computers and complete enterprises, a single initial contract stipulates the choice of a supplier for the entire subsequent period. According to representatives of the U.S. Chamber of Commerce, "in a number of technically advanced branches, clients do not even look into the possibility of acquiring American products or into the quality of these products due to the difficulties created by the existing export licensing procedure."

The truth of these arguments has even been acknowledged by representatives of the administration and Congress. For example, Congressman Bingham has said that "our (American--D. K.) policy...obviously has not led to any kind of significant delay in Soviet economic growth.... Our allies have refused to support us...and have simply sold the Soviets whatever we refused to sell them."

Besides this, as many American businessmen have pointed out, export control can sometimes have an essentially stimulating effect on the development of a particular branch of the economy in a socialist country. For example, Technical Director Loffler of the National Association of Machinists believes that "the Soviet Union is becoming the world's largest producer of machine tools because rigid American restrictions forced it to develop its own technology." At the same time, these very restrictions resulted in "lower employment in the nation [the United States] and less available funds for the kind of research and engineering that is essential for the preservation of technological parity."

The existing export control system is also inflicting serious damages on American exports of electronic computer equipment. The level of U.S. computer exports to the socialist countries is extremely low. The vice president of the Control Data Corporation said, for example, that "the United States has shipped more large computers to Honduras than to the Soviet Union." On the whole, according to the calculations of experts, American computer companies are annually losing orders from the socialist countries worth hundreds of millions of dollars. Export restrictions on computer shipments have been criticized quite pointedly in the business community in recent years in connection with the increasing significance of these items in East-West trade. Under these circumstances, American computer firms are often excluded from the competition for orders from the socialist countries.

For example, the U.S. authorities' prohibition of the use of American peripheral equipment in conjunction with the Ryad computer produced in Poland as part of a CEMA project led to a situation in which this nation began to manufacture similar equipment with a Swedish license, depriving the U.S. company of sales opportunities in the Polish market. According to American suppliers, the refusal to issue a license for the use of American memory disks in conjunction with Ryad computers in Hungary was even more absurd: Similar units are produced by Bulgaria for the other CEMA countries.

Even the Carter Administration has admitted that the criticism of the existing export control system in the United States is valid in general. In this connection, the report prepared for congressional hearings by the comptroller of the currency (the head of the Office of Government

Financial Operations) of 1 March 1979, "Export Control: The Need to Clarify Policy and Simplify Regulations," is indicative. This document contains the following assessment: "The government does not have an effective policy-making mechanism to reconcile the conflicting goals of export stimulation and export control. Besides this, the machinery for decision-making on the particular types of technology and commodities that should be subject to control is cumbersome and slow-moving. In addition to all these problems, the export licensing system is marked by delays, instability and the absence of proper records." The existence of "total chaos" in this area was pointed out by L. Brady, director of the export control office. The fact that this agency is impeding the expansion of U.S. exports was admitted in July 1979 by then Secretary of Commerce J. Kreps.

In spite of all this, the opponents of detente have absolutely no desire to discard this "convenient" weapon inherited from the cold war--the export licensing mechanism. Their influence is reflected in the activities of Congress and the practical policy of the administration, which is based to a large extent on the premises of "Memorandum 31," prepared in the National Security Council by Professor S. Huntington--famous advocate of a "hard line" in economic relations with the USSR--for the purpose of forcing the Soviet Union to "make concessions" in the political sphere.

Adhering to this policy, the White House prohibited the shipment of a number of American commodities to the USSR and other socialist countries in 1978 and 1979. Many in the United States felt that this was a senseless action which hurt American business. The heads of around 100 large corporations belonging to a special committee for the advancement of American trade sent a petition to the White House and Congress, pointing out the serious consequences of this policy. Congressman Bingham introduced a bill proposing amendments to the 1969 export regulation act, in which he included the request that the President "consider" the reaction of other countries to the restrictive U.S. measures, the possibility of achieving American foreign policy goals without such measures and the effect of these measures on the reputation of the United States as a reliable exporter.

In general, the amendments to the 1969 act, passed in October 1979, also reflected the struggle between the two tendencies in question. The progressive features of the new legislation include the following: an unequivocal statement that the United States should strive to stimulate exports on the broadest scale and that export restrictions should only be of a specific nature; the introduction of a new, intermediate type of license, the qualified general license, to be used in repeated shipments of the same commodities by the same exporter; a more flexible system of export control; the mandatory publication of projected restrictions of a foreign policy nature in the federal register, and the disclosure of the precise reasons for the denial of license requests; the establishment of a maximum term of 180 days for the consideration of license requests (although exceptions to this rule will be permitted). The legislation reflected recognition of the fact that exports make up an important part of the balance of trade and play a major role in maintaining high levels of employment and production.

At the same time, the legislation envisaged the further augmentation of the Defense Department's role in deciding export control matters. It is possible that this will transfer the emphasis from commodity export control to technology transmission control in the next few years. Besides this, the executive branch has been given the responsibility of negotiating the transfer of COCOM activity to a contractual basis (up to the present time it has operated on the basis of a "gentleman's agreement"); this could give the United States some additional opportunities to exert pressure on its allies in the area of trade with the nations of the socialist community.

In this context, President Carter's televised speech of 4 January also deserves mention. In a futile attempt to change the peaceful Leninist foreign policy of the USSR, the U.S. Government unilaterally imposed new restrictions on the already limited trade, economic, scientific, technical and cultural relations with our country. In particular, the President announced that exports of a number of commodities to the USSR would be reduced, including grain for animal and human consumption. As a TASS release pointed out, "measures of this kind are not likely to be approved by broad segments of the U.S. population that have repeatedly expressed their interest in cooperation with the Soviet Union and in the expansion of commercial contacts with this nation, correctly assuming that this will benefit the United States." Judging by reports from the United States, the general public is opposed to the new measures taken by the U.S. Government. For example, reports from the midwestern states indicate that the majority of farmer groups have pointedly objected to the curtailment of the grain trade.

All of this suggests that export control in the United States will continue to be more rigid than in the other capitalist countries in coming years. This means that American companies will continue to experience difficulties in the expanded delivery of the most progressive equipment, machines, instruments and other commodities to the socialist states, and this will undermine their competitive potential in the world market even more.

8588
CSO: 1803

PROBLEMS AND CONTRADICTIONS OF U.S. DOMESTIC FOOD POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 77-88

[Article by V. N. Dem'yanenko]

[Not translated by JPRS]

CSO: 1803

AUTOMATION IN THE ENGINEERING INDUSTRY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80 pp 88-96

[Article by Yu. A. Savinov]

[Not translated by JPRS]

CSO: 1803

THE CONGRESS IN 1979

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80 pp 97-101

[Article by V. A. Savel'yev]

[Text] "The general impression is that the machine is idling, that we are witnessing a chronic crisis, which has finally become completely apparent, in the institutions that are no longer capable of solving problems for which they themselves are sometimes to blame." This is how the French magazine LE MONDE DIPLOMATIQUE defines the present state of the U.S. Government in the fall of 1977. How close is this diagnosis to the truth? To a considerable extent, this question has been answered by the results of the first session of the 96th U.S. Congress in 1979.

New congresses have never been distinguished by a quick take-off. But the 96th Congress, according to American observers, broke all records for sluggishness. "Lethargy As a Way of Life"--this was the title of a NEW YORK TIMES article analyzing the first results of the Congress' activities. For example, during the first 3 months of the session, the legislators sent only eight bills to President J. Carter for his signature, or less than half as many as during the first 3 months of the previous Congress, the 95th (which, in turn, was the lowest indicator since 1939). By the time of the Easter break the Senate had only had time for 38 roll-call ballots, and the House of Representatives had only conducted 67, or 62 percent and 42 percent less, respectively, than during the same period 2 years ago.

The number of speeches made on Capitol Hill has decreased noticeably. The senators only filled 4,399 pages of the CONGRESSIONAL RECORD, the official bulletin of congressional debates, with their speeches (and reprints of press articles: the legislators often request the inclusion of these in the record of proceedings), in comparison to 5,841 pages in the first quarter of 1977, while the printed volume of House proceedings declined from 3,190 to 2,246 pages. In February, when the House of Representatives allowed live television coverage of its proceedings for the first time in its history, the cameras recorded apathetic expressions on the faces of many legislators who were present.

Activities on Capitol Hill have vividly reflected the general nationwide atmosphere of pessimism, insecurity and anxious uncertainty. At a time of heightened political polarization in the United States over major issues, many legislators, if not the majority, have preferred to play a waiting game and refuse to make far-reaching decisions. According to American observers, the prevailing view in the Capitol is that there is no acceptable political solution to the acute problems now confronting the Congress, whether these are problems connected with the energy crisis or relations with Iran.

It is no secret that the President is considered to be the "chief legislator" in the United States: Although he does not officially have the right to initiate legislation, Congress has traditionally paid special attention to the chief executive's proposals. This is particularly true in the absence of "divided rule"--that is, when the White House and the majority of seats in the Capitol are controlled by representatives of the same party; this has been the situation in the United States since 1977. What can we say about the interrelations between the White House and the Capitol, on which the effectiveness of the administration's legislative program depends, in 1979?

American observers used the stock term "constructive dialog" less and less often last year when they evaluated these interrelations.

There is no question that Congress has considerably restricted the President's freedom of action. But the Capitol has not regularly opposed Carter. This would go against political tradition. According to the authoritative CONGRESSIONAL QUARTERLY, "with the exception of the period of war in Vietnam at the beginning of the 1970's, the Congress has supported presidents more than it has challenged them in the 20th century." It is also important to remember that the President's powers have been restricted by more than the Congress: It is possible that they have been even more limited by various calamities in American politics, both domestic and foreign.

Although the President's relations with the Congress have been far from idyllic, the conflict between them has never transcended the bounds of what is called the "negative balance" in the United States. The fact is that ruling circles cannot permit the stoppage of the machinery of state, in which the indissolubly interrelated legislative and executive branches each perform their own functions. This is why the constant rivalry between the White House and the Capitol for a suitable measure of power must always be accompanied by their cooperation.

A central place among the foreign policy issues discussed at the first session of the 96th Congress was the Soviet-U.S. treaty on strategic arms limitation (SALT II). This problem towered above all others even before the Soviet-American documents resulting from the summit-level Vienna meeting were signed. Evidence of this can be found in the hundreds of pages of the CONGRESSIONAL RECORD with speeches by members of Congress on the "pros" and "cons" of an agreement with the USSR; at their insistence, many reprints of American newspaper and magazine articles pertaining to SALT were also included in the record. When the U.S. President sent the treaty and related documents to the Senate in accordance with constitutional provisions, this topic also superseded all others on the agenda of the Senate's chief task force dealing with foreign policy issues--the Foreign Relations Committee.

The hearings on the treaty began on 9 July and it was not until November that the committee managed to conclude them and prepare the necessary report. This lengthy discussion of the treaty was due to the vigorous opposition of reactionary forces, which launched a noisy campaign against it, to the attempts of some groups in the United States to make the SALT II treaty conditional upon totally unrelated matters (for example, the presence of Soviet military specialists in Cuba) and to the inconsistency of the administration and the group of senators supporting the treaty, who hoped to increase their chances of re-election in 1980 by a show of "firmness."

The very procedure for the discussion of the treaty in the Senate gives rise to a number of "cross-roads," at which point even an insignificant minority of senators can impede and prolong the discussion. Hearings in committees are followed by the submission of a report to the Senate Foreign Relations Committee, the second reading of the treaty at plenary sessions, the discussion of each separate article, the introduction of amendments or stipulations, voting on articles of the treaty and amendments (or stipulations) and, finally, the adoption of a Senate resolution giving its "advice and consent," and then the submission of the treaty to the President for his ratification.

What have the debates indicated?

There is a clear tendency among some of the senators to link the approval of the SALT II treaty with other issues. Most of the discussion concerned a dramatic increase in military spending. This was reflected, in particular, in the vote of approval cast by the majority of senators (55 for, 42 against) on 18 September for an increase of 5 percent in real terms (with allowances for inflation) in the U.S. defense budget for 1981/82. The administration, which originally favored a 3-percent increase, set forth a program in December, calling for an increase of 4.5-5 percent in military spending.

The separation of forces "for" and "against" SALT II continued in the Senate. There was a tendency toward the formation of a coalition majority of supporters of the treaty (made up of Democrats--ranging from liberals to moderate conservatives--and liberal Republicans).

The Senate did not manage to complete its examination of the SALT II treaty during the course of the past session.

At the beginning of January 1980, President J. Carter decided to postpone the Senate investigation of the SALT II treaty for an indefinite period of time, showing his lack of concern for the fundamental long-range interests of the world. A TASS press release stated that "campaign considerations and the desire to play up to chauvinistic group feelings, judging by all indications, played an important part" in the making of this decision. At the same time, as the TASS release noted, "ruling circles in the Soviet Union would like to think that a sober, farsighted approach to Soviet-American relations, including peace-keeping efforts, will ultimately prevail in the United States."

Returning to the results of the debates on the defense budget, we must say that neither house of Congress objected to the Pentagon's increased demands. Not one of the military establishment's requests was ignored in 1979. Congress allocated funds for the production of the MX intercontinental mobile missile system and for work on Trident submarines and cruise missiles. The allocation of funds for the production and deployment in Western Europe of 572 medium-range missiles (Pershing 2 and winged missiles), capable of carrying nuclear charges, was planned. The President even withdrew his objections to the construction of a new nuclear aircraft carrier at a cost of 2.4 billion dollars, which he had opposed for 2 years because of the probable "ineffectiveness and vulnerability" of this kind of mastodon. When the Senate approved the administration's draft budget for fiscal year 1980, it allocated 141.2 billion dollars for defense, which exceeded the previous year's expenditures by more than 11 billion dollars. Capitol Hill also approved of the plans announced in December for a constant rise in military expenditures over the next 5 years.

According to American commentators, however, this sharp rise in military expenditures will give new and powerful impetus to the already considerable inflationary tendencies and will exacerbate the economic difficulties now confronting the nation.

In 1979 another of Carter's campaign promises was also consigned to oblivion: At that time, he proposed not only cuts in military spending, but also the reduction of the sales volume of American weapons abroad. Total sales of U.S. weapons to foreign countries rose from 11.2 billion dollars in 1977 to over 14 billion in 1978. It is no coincidence that a report prepared by staff members of the Senate Foreign Relations Committee spoke of "general skepticism" regarding the Carter Administration's appeal for a "policy of self-restraint" in this area, since the United States does not practice the "restraint" it preaches, enthusiastically using the arms trade as a "diplomatic instrument." Congress has supported this policy.

On 15 December 1978 President Carter announced diplomatic recognition of the PRC, simultaneously declaring that the "mutual security" treaty with Taiwan would be terminated on 1 January 1980--a year after this announcement, as stipulated in Article 10 of the treaty. Congress had already passed a bill on the new status of relations with Taiwan by March. This bill, in accordance with the President's proposal, envisages the "preservation of commercial, cultural and other relations with the people of

Taiwan on an unofficial basis." But the question of whether the President had the right to cancel a treaty without the consent of the Senate (which had once approved the treaty by a two-thirds majority) became the topic of lengthy debates.

Not only the President and Congress, but also the judiciary, were drawn into the arguments over this issue. On 22 December 1978, Republican Senator B. Goldwater and several other legislators brought an action against the President in a federal court, accusing him of acting "unconstitutionally" when he unilaterally broke the treaty with Taiwan without the consent of the Senate.

The first round of this fight was won by Senator Goldwater's supporters. In the fall of 1979, Federal Judge O. Gash ruled that a treaty could not be broken without some indication of congressional approval of the President's position. But the U.S. Constitution does not regulate this procedure and existing precedents in American political and legal practice contradict one another. For example, just before World War I, President W. Taft broke off a trade treaty with the tsarist government in Russia on the basis of a decision by both houses of Congress, and in the 1920's President C. Coolidge abrogated a treaty with Mexico on the fight against contraband without Congress' consent.

Representatives of the administration protested the federal judge's ruling in a court of appeals. In this second round, the administration's position was upheld. It is possible that the final decision on this matter will have to be made by the highest court--the Supreme Court of the United States. Incidentally, the Supreme Court can decline to pronounce a verdict on the grounds that the issue is "too political in nature."

On 26 July 1979 the President signed a bill on multilateral trade agreements. The new law is intended to regulate various aspects of the tariff policy established in Geneva on 12 April. Both houses made fairly short work of this bill, not even objecting to the adoption of restrictions on amendments during its discussion in plenary sessions.

In general, Congress' work agenda consisted mainly of questions of domestic policy. The legislators had to give special attention to economic problems. In connection with this, a high-level White House employee admitted that "the American people...are waiting for concrete results in the resolution of energy and inflation problems."

As for the results of the activities of the administration and Congress in the energy sphere, they look depressing. At one time, the President announced a "fight" (he even called it the "moral equivalent of a war") to defend the "energy independence" of the United States. But are "fights" of this kind necessary? After all, despite the complaints about the oil "shortage," U.S. petroleum reserves increased from 1.168 billion barrels in May 1978 to 1.23 billion in May 1979. The Americans still do not believe that the energy crisis is real or objective in nature. Moreover, the President has not been able to convince Congress that his proposals are realistic either. Serious congressional opposition has been encountered by almost all of the main elements of the administration's energy program: the tax on the windfall profits of oil companies (in the third quarter of 1979 they were higher than ever before in the last decade), the granting of additional powers to the President in this area, the allocation of 88 billion dollars to a new independent agency for the creation of a liquid synthetic fuel industry, the 6-month moratorium on the construction of new nuclear power plants and so forth.

The exceptional significance attached by the administration to the energy problem is attested to by extracts from a confidential memo prepared by S. Eizenstat, the President's domestic policy adviser (a copy of this document fell into the hands of the WASHINGTON POST). The memo cautions President J. Carter that the mounting energy crisis will "politically hurt" the administration. "It could even be said," the author wrote, "that none of the events that have taken place since this administration took office--neither the Lance affair nor the Panama Canal treaty, the conflicts with [Senator Edward] Kennedy and even the doubled rate of inflation--have pumped this much water into the hold of our ship."

This summer, congressional leaders promised to make a final decision on the energy program by October. Even then, however, it was clear that the law being written in the Capitol would probably not meet the President's wishes. Besides this, changes made in the cabinet by the President, according to general opinion, were the reason for the delay in Congress' adoption of the administration's energy program. After this, in an attempt to stop any increase in the taxes on the superprofits of oil monopolies, the senators who are the proteges of the oil industry even resorted to the "filibuster"--the tactic of conducting endless debates, in which the speech of each senator can be limited to 1 hour only with the consent of at least 60 senators (three-fifths of the total Senate). Regardless of the form the program will finally take, as some people in the United States have remarked, no noticeable improvement in the energy sphere should be expected in the near future.

No matter how vigorously the official and semi-official mass media in the United States may assert that the nation is "making rapid progress in energy conservation," neither the President nor Congress has been able to limit oil consumption. In fact, the United States is the only developed Western country with an increase in per capita annual oil consumption: It has risen 17.1 percent since 1973, whereas it declined, for example, 2.3 percent in the FRG.

The Democratic Administration once declared that the fight against inflation would be one of its top priorities. In 1979 the President and his assistants stubbornly refused to institute price controls. The rate of inflation rose. Consumer prices rose more than 13 percent in 1979. Besides this, the coming of election year was already being sensed at the end of the first session of the 96th Congress. Under these conditions, liberal Democrats in the Congress played up to the mood of many categories of voters by exerting stronger pressure, on the one hand, for increased federal spending (including social expenditures) and, on the other, for tax cuts. Both of these, however, stimulated inflationary tendencies.

Judging by all indications, yet another of President Carter's promises has not been kept--his promise to balance the budget by 1981. Director J. McIntyre of the Office of Management and Budget already had to admit this in the middle of 1979. He said that the declining rate of economic growth (or, more precisely, the beginning of a recession), reduced tax revenues in the federal treasury and increased expenditures on energy needs were making it extremely difficult to balance the budget. Congress (particularly the Democratic faction) obviously had no intention of helping the administration attain its goal of a balanced budget, which has traditionally been regarded as a policy objective of the Republican Party.

Virtually all of the promises made in the 1976 campaign regarding relatively far-reaching domestic political reforms (from the revision of social security laws to the creation of a national health insurance system) have been shelved or totally forgotten. The only presidential proposals passing through the Congress have concerned a few reorganizational measures: a separate deparment of education[1] and an agency on international cooperation and development have been created, and the legislators did not fail to restrict even these measures with a number of amendments.

Congress has rejected essentially all of the major proposed changes in the U.S. electoral system favored by J. Carter. For example, a constitutional amendment envisaging the abolition of the electoral college and the institution of direct presidential elections did not win the necessary majority of votes in the Senate. Attempts to pass a law on the federal funding of congressional campaigns failed.

The domestic policy achievements of the administration acquiring legislative form in 1979 appear quite meager, in the opinion of American commentators.

It would be wrong to seriously ascribe a total "inability to solve problems" to the highest legislative body in the United States, as LE MONDE DIPLOMATIQUE does. But the question of to what ends and in whose interests these problems are being solved, whether we consider the increase in the defense budget, the postponement of the SALT II debates or the granting of tax privileges to the oil companies, is quite a different matter. Congress' critics have good reason to believe that the serious problems now confroting the United States obviously require more initiative and, quite indisputably, a different approach from legislators.

8588
CSO: 1803

---

[1] See the article by Ye. P. Ionova in this issue--Editor's note.

THE POWERS THAT BE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80 pp 102-107

[Third installment of digest by T. G. Il'in of chapters from the book "The Powers That Be" by David Halberstam, Alfred A. Knopf, 1979]

[Not translated by JPRS]

CSO: 1803

THE CIVIL SERVICE REFORM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 108-113

[Article by A. N. Isayenko]

[Text] President Carter's experience as head of the U.S. Administration has confirmed his fear that, in the process of implementing major governmental decisions and national programs, "one of the most difficult problems will be to learn how to deal with the federal bureaucracy."[1] This term signifies the administrative staffs of federal executive bodies--around 500,000 employees in 12 departments; 100,000 people in 75 so-called independent government agencies; several tens of thousands of people on various commissions, councils and committees and 6,000 employees on the White House staff.[2] Public opinion and the administration in the United States believe that the slow, wasteful and ineffective work of this huge staff is one of the main reasons for the low productivity of the federal programs which cost hundreds of billions of dollars annually.

Despite attempts to reorganize the work of federal agencies on the basis of such modern methods as "planning-programming-budgeting" or "goal-orientation," as well as the "zero-based budget," this work is still routine and bureaucratic in nature and is subject to the political pressure of various groups. The decision-making process is sometimes held up for years, and administration is complicated by the existence of many poorly intercoordinated programs and the duplication of functions. According to the American President, "personnel activity is marked by bureaucratism, red tape and confusion" in public administration.[3]

All presidents have promised to heighten the efficiency of the administrative system in the executive branch of government and all of them have made more or less significant changes in the structure of its elements and in operational methods. President J. Carter made this one of the central points of his campaign program. In the first 2 years of his term, however, his work at the top level of administration did not go beyond the bounds of isolated reorganizational measures in this field. The structure of the Executive Office of the President was simplified, the number of advisory bodies decreased and a new department of energy was created. At the same time, a civil service reform was being drafted in the White House under the direct supervision of the President. In May 1978 the draft was submitted to Congress and was approved, in amended form, on 13 October that same year. The administration called this reform the current presidency's major undertaking in public administration. It changed some general administrative principles, operational procedures of institutions and specific regulations pertaining to individuals employed by the federal government. The law touches directly upon the interests of only 2 million public administration employees. The administrative innovations in the law have a completely definite social purpose. In connection with the reform, U.S. President Carter promised to give America "better government" and to establish the rights of federal employees.[4] What has he actually done?

Reorganization of Personnel Work

First let us examine the administrative purpose of the reform. The main purpose of the civil service reform is to make work with personnel one of the main ways of heightening the efficiency of public administration. In essence, the reform is aimed at concentrating all personnel policy in central executive bodies, so as to increase the government's ability to carry out programs by means of more efficient personnel management. We will briefly discuss the principles governing personnel management prior to the passage of the 1978 act.[5]

The management of public employees is based on a detailed set of rules and restrictions concerning hiring, placement, evaluation, remuneration, promotion and disciplinary action, as well as the rights of employees. Most of these rules are embodied in legislation (pt V of the "Legal Code of the United States of America"). The basic principles governing the management of federal government personnel, reflected in legislation, were established in the last century.

The system is based on the principle of holding competitive examinations for all applicants for civil service positions, which is primarily intended to ensure that these individuals will have the necessary qualifications. A second important principle is the prohibition of discrimination against employees on the grounds of their party affiliation (this actually only applies to the bourgeois parties). This is supposed to guarantee that government institutions will remain stable at times of change in the political leadership. The principle of "political neutrality" is also in effect in the civil service, limiting the political activity of most civil servants.

The system for the remuneration, promotion and periodic retraining of employees was intended to keep personnel with the necessary qualifications and competence within the civil service. Placement and remuneration were organized on the basis of classification grades, depending on the complexity of work, job qualifications and the degree of responsibility. This gave rise to a job hierarchy consisting of 23 grades. For example, remuneration for jobs falling between the first and fifteenth levels was based on a specific salary rate in a 10-step wage scale established for jobs of this category. The employee was given a raise either when he moved up to the next salary level in his present job (each subsequent level represents a 3-percent increase) by decision of his direct supervisor, or when he was transferred to a job on a higher level (generally requiring him to pass a competitive exam). In view of the fact that job evaluations were either nonexistent or purely formal in nature, salaries and promotions depended more on seniority than on the results of the specific employee's work.

To guarantee the observance of the basic principles of civil service, the Civil Service Commission was created as an independent agency under Congressional control. It is this commission that set up examinations for applicants. It also examined violations of the "merit system" and determined personnel management policy. Consequently, the commission performed the conflicting functions of a collective manager and an arbiter in labor disputes. Time showed that competitive examinations were not enough for the efficient placement and management of personnel, that the placement procedure took many months longer than necessary, that incentives were not provided for productive work and that it was easier to transfer or promote unsatisfactory employees than to dismiss them. All of this undermined the effectiveness of the civil service.

The reform envisages important changes in personnel management. In the first place, from now on a distinct line will be drawn between the functions of determining and conducting personnel policy, on the one hand, and the arbitration of labor disputes on the other. The Civil Service Commission has been divided into two independent federal bodies for this purpose--the Office of Personnel Management and the Merit Systems Protection Board. The Office of Personnel Management will be responsible for the further centralization and better coordination of all personnel work in the system of public administration. It is a central body under the jurisdiction of the U.S. President, who will appoint, for a 4-year term, and dismiss agency administrators--the director and his assistants--with the consent of the Senate. The director will also be the U.S. President's representative in personnel matters. The Office of Personnel Management will be assigned all necessary organizational, standard-setting and supervisory functions in the area of government personnel policy. This will include appointments and promotions, the evaluation of work, the advanced training of federal employees, and their reward and punishment. The office will set the appropriate standards, which will be compulsory for all departments and agencies, monitor their observance and suggest and propose improvements in personnel work. It will be accountable to Congress on all these matters.

The Merit Systems Protection Board is a bipartisan arbitration board which will ensure the observance of laws on hiring, dismissal and transfers in accordance with the principles of the "merit system." Through specially authorized individuals (administrative judges), the board will investigate complaints relating to the violation of empoyee rights. It will consist of three members, appointed by the U.S. President upon the recommendation and consent of the Senate, and a territorial network of staff employees.

The board will always include a representative of the opposition party. Board members will be appointed for 7 years. They can neither be dismissed during this term (with the exception of a special impeachment procedure in the event of inactivity or the abuse of power) nor reappointed for a new term.

A second important result of the reform is the introduction of annual job evaluations in all departments of the federal government, which is expected to heighten the work efficiency of employees and improve the operation of government institutions. At the same time, these job evaluations are supposed to motivate employees to achieve better final results. The evaluation represents an instrument by which goal-oriented management is conducted. It is supposed to measure the individual contribution of the employee (and the subdivision he manages, if he is an administrator) to the attainment of departmental objectives. The evaluation is now compulsory for all government employees hired on a competitive basis, and it is more thorough. It is organized in line with a single set of procedural principles worked out by the Office of Personnel Management. Special job performance councils in each department participate in the evaluation procedure along with immediate supervisors. It is these councils, under the supervision of the Office of Personnel Management, that establish requirements for employees and conduct the evaluation process. The evaluation procedure proper ends with the categorization of the specific worker's performance at a fixed level--there is a minimum of three: "unsatisfactory," "fair" and "totally satisfactory." In some departments, however, there are five categories for administrators--"outstanding," "excellent," "good," "fair" and "unsatisfactory." The competitive system of evaluating qualifications is still in force for civil service applicants. But this procedure is conducted by the department itself, although the choice is now based from among seven candidates instead of three.

The system of annual performance evaluations is becoming an effective instrument of personnel policy. Instead of the previous graded salary scale for administrators, there are now several salary levels and a bonus system based on performance evaluation. The maximum use of bonuses as financial incentives has been envisaged; they will be paid once a year in a lump sum (exempt from some deductions), but to no more than half of all employees. Bonuses will only be paid to workers whose last performance evaluation rated them "totally satisfactory," and the size of the bonus will depend on the specifics of the evaluation. For example, top-level administrators with an "outstanding" evaluation will be granted the maximum bonus--20 percent of their annual salary, while those with an "excellent" or "good" rating will receive lower bonuses in line with established restrictions (no more thar half of the staff and under 5 percent of the total wage fund). Automatic salary raises have been abolished, and a compulsory procedure has been established for assessing the results of annual evaluations of the performance of employees who have been promoted, have received advanced training and so forth. The performance evaluation system, with many of its features borrowed from the experience of private business and research organizations, has become the cornerstone of the new policy of personnel management.

The third purpose of the reform was to work out special procedures of personnel work with groups of top-level administrators--that is, the heads of independent subdivisions in departments and agencies and the directors of major programs. It is the higher level of responsibility of these public employees and the increasing significance of federal programs in public administration that motivated the Carter Administration to separate top-level management, numbering 9,200 individuals of grade 16 and higher, from the civil service system. Special procedures have been established for the hiring, remuneration, promotion, dismissal and retirement of this group of public employees.

What are the distinctive features of this system of top-level management? Above all, it is distinguished by considerable financial and other incentives--salaries measuring up to those of the administrators of medium-sized and large corporations and extensive career opportunities. Capable administrators are presented with a broader choice of advancement opportunities, since appointments and transfers on this level are now conducted on an interdepartmental basis, and within the framework of this "pool" of professions, the individuals are no longer divided into categories, and all transfers are carried out simply on the basis of performance evaluations. Administrators have additional opportunities to improve their qualifications by enrolling in one of the programs of the Office of Personnel Management. They have the right to apply for an administrative leave (of up to 11 months) once every 10 years to conduct research in a prestigious scientific center. Honorary titles will be awarded to "honored" and "outstanding" administrators, accompanied by a bonus of 2,500 and 5,000 dollars, respectively, to be paid annually for 5 years.[6] Top-level administrators will be offered special retirement benefits (including the option of retiring with a pension at the age of 50) and guaranteed employment (an administrator who is excluded from the top-level administrative service for work that is not totally satisfactory will have the right to take a job on grade 15 of the civil service system and retain his previous, higher salary).

The number of top-level administrative positions will be determined by the Office of Personnel Management for each agency 2 years in advance. Applicants for these positions will prove to special qualifications boards that they can meet the requirements of the job. They will only enjoy the benefits of the top-level administrative service after a 1-year trial period. Promotions and bonuses will only be open to administrators whose performance has been evaluated as "totally satisfactory." Any other evaluation will have a negative effect. Two unsatisfactory evaluations within 5 years (or two fair evaluations within 5 years) will mean that the administrator will have to leave the service and, although he will retain his previous salary, he will not be eligible for reinstatement in the top-level management service.

There is no question that this means the creation of a new privileged group of administrators, an element of the American ruling class, no matter what kind of demagogic declarations about the need for the broadest possible representation of various population strata in top-level management are made to cover up this fact.

The separation of top-level administrators from the rest of the civil service and the institution of incentive "merit salary systems" signify a move toward a differentiated approach to the management of different categories of employees--rank-and-file public employees and administrators on various levels. Actually there are now three interrelated systems of federal personnel management.

The highest level of the political leadership consists of a few hundred jobs at the top (12 cabinet members and the chiefs of agencies and major subdivisions). The rules of the civil service do not apply to them. Individuals are appointed to these positions for a fixed length of time by the U.S. President "with the advice and consent of the Senate," but without competitive examinations or the authorization of qualification boards. For each of the three levels at the top, there is one and only one salary grade. This group of officials is under the direct jurisdiction of the President and the U.S. Congress.

The level of federal employees in the civil service system proper (grades 1 through 15) consists of more than 2 million civil servants, ranging from technicians to specialists on various levels and supervisors of task forces and other dependent subdivisions. Administrators in the civil service system (72,000 officials of grades 13-15) have been transferred to a salary and bonus system of remuneration. The maximum bonus for them, however, has been set at 12 percent of their annual salary. At the same time, it was announced that the regular cost of living raises would be cut in half for this category of administrators. Honorary titles have not been established for these administrators.

Attack on Employee Rights

The class aims of the reform have been made quite clear by the differentiated approach to the salaries and incentives offered to employees on different rungs of the hierarchical ladder. The reform represents a major threat to the employment of federal personnel. One of the main reasons for the institution of mandatory performance evaluations was to simplify the procedure of dismissing workers who are not good enough for one reason or another. In a public statement, J. Carter openly complained that the number of employees dismissed for "inefficiency" in 1977 (226) was too low.[7] It is true that, prior to the reform, federal government employees were somewhat better protected by law against arbitrary dismissal than employees in private business. But these advantages only compensated for the lack of other elementary rights, particularly the right to defend their own interests by means of strikes and collective bargaining and the right to take an active part in the political process.

As a result of the reform, it is now easier to dismiss any employee. Whereas the procedure previously envisaged a 90-day warning about negative performance, during which period the employee had an opportunity to improve his work and keep his job, the period has now been reduced to a month, and the final decision is made in the next 30 days. In Carter's bill, an "unsatisfactory" performance evaluation and the opinion of the supervisor that dismissal would "heighten the efficiency" of the particular subunit are recognized as grounds for firing an employee. Moreover, an unsatisfactory performance evaluation, in contrast to other evaluations, can be made at any time. There is also an entire set of disciplinary actions, including the suspension of employees without pay for periods of varying lengths, salary reductions (with or without changes in grade), forced vacations without pay and other measures, which, with rare exceptions, are not applied to top-level administrators.

Therefore, the class factor is quite apparent in the differentiated approach to the management of various employee categories. President Carter, as we know, criticized the civil service system because top-level administrators, just as other employees, "were exempt from penalties for poor work and deprived of tangible rewards for good work."[8] This defect has been corrected in such a way, however, that top-level administrators now have additional benefits while the rest of the employees are constantly in danger of losing their jobs. It is with good reason that even American researchers of moderate leanings have described Carter's reform as a triumph for the tough line in management and the system of penalties.[9]

What are the guaranteed rights of federal employees that are mentioned in numerous reports on this reform?

The principal achievement is supposed to be the abolition of the Civil Service Commission and its replacement with two independent federal bodies--the Office of Personnel Management and the Merit System Protection Board. The bipartisan nature of the board and its organizational separation from bodies determining personnel policy are being depicted as a major guarantee of employee rights, as this can allegedly ensure the objective investigation of all complaints. There is no question that the organizational side of the matter is important. However, even if we disregard the question of the class interests and sympathies of board members, who are appointed from among top-level administrative judicial representatives, and limit ourselves exclusively to an examination of the content of the reform, it is completely obvious that, regardless of how the defense is organized, it is possible only within the bounds of the board's competence and the legally defined rights of employees. First of all, far from all disciplinary actions can be appealed. For example, withholding the wages of an employee in connection with his temporary suspension or forced vacation without pay, if it does not exceed 30 days, and the reduction of wages by one grade (3 percent) are totally within the competence of the establishment administration. Dismissal cannot be appealed either if it is connected with a general staff reduction and in some other cases. In the second place, a clear-cut feature of the administration's approach to guaranteed employee rights is the attempt to put the entire burden of proving that the administration has committed unlawful actions...on the party appealing for protection. This party must prove that the administrative action was based on a distortion of the facts. This extremely conservative article of the bill met with objections even in Congress, including the Senate with its extremely conservative stand on these matters, and was somewhat softened in the law passed in October 1978.

The general tenor of the reform is that incentives and actual rights decrease at each successively lower employee level. For these reasons, the reform was opposed by the National Union of Financial Employees and some groups in the largest union of federal employees--the American Federation of Government Employees. The same stand was taken by veterans' organizations because the reform has diminished the privileges of former servicemen in the civil service.

Some people in the United States believe that the reform is, to a significant extent, enhancing the administration's capability of controlling its own programs and heightening the "mobility" of the federal machinery of state as a whole. At the same time, it is not reducing the size of the federal bureaucracy.

The reform is clearly incapable of radically changing the work of the public administration sector. The fundamental causes of the inefficiency of the machinery of state can ultimately be found in the socioeconomic nature of the bourgeois state, the limited social base on which it rests and the radically conflicting interests of various classes and groups which are the "consumers" of federal government "services." It is just as obvious that the reform not only does not guarantee the rights of federal employees, but also signifies mounting insecurity for rank-and-file employees, weaker employment guarantees and the considerable intensification of their labor.

FOOTNOTES

1. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 6 May 1978, p 1139.

2. These figures apply only to public administration employees. They do not include the workers and employees of government enterprises, public health, education and scientific institutions and other establishments associated with the system of federal agencies. Counting the latter, the number of workers rises to 2.1 million. Besides this, federal workers also include 600,000 postal service employees and

more than 50,000 clerks in the legislative and judicial branches of government, among them around 10,000 people on the congressional staff.

3. "Message of the President of the United States. Civil Service Reform," Washington, 1978, p 1.

4. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 12 May 1978, p 1139.

5. The previous civil service system is examined in detail in SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 1, 1977, pp 109-117.

6. "Message of the President of the United States. Civil Service Reform," pp 40-46.

7. "Text of Address by the President to the National Press Club," Washington, 2 March 1978.

8. "Message of the President of the United States. Civil Service Reform," p 3.

9. PUBLIC ADMINISTRATION REVIEW, July-August 1978, p 309.

8588
CSO: 1803

BOOK REVIEWS

SALT and Military Research

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
pp 114-115

[Review by V. V. Potashov of the book "Impact of SALT on U.S. Military Research and Development" Hearing Before the Subcommittee on Research and Development of the Committee on Armed Services, United States Senate, 95th Congress, Second Session, 8 June 1978, Washington, 1979, 58 pages]

[Text] This hearing took place in June 1978, but the proceedings, after being censored, were published only in 1979, after the signing of the SALT II treaty. At the hearing, representatives of the U.S. Administration--Secretary of Defense H. Brown and his assistant, Director W. Perry of the Office of Research and Development, set forth the administration's views on SALT's projected impact on U.S. military programs.

Senator T. McIntyre, who chaired the hearing, set forth the essence of the question in the following manner: "Among all the criteria which could be used to evaluate SALT, there is nothing more important than the impact of this agreement on our military research and development." He defined the three main aspects of this issue: 1. Will the SALT agreement contain any restrictions on U.S. research and development programs? 2. Will the SALT agreement allow the United States to spend research and development funds more effectively by reducing strategic uncertainty through the acquisition of detailed data on Soviet strategic forces? 3. To what extent will the SALT agreement restrict Soviet research and development? (p 22).

The answers given to these questions by the administration's representatives were apparently something of a surprise even to the American senators. As H. Brown said, "In general, the provisions of the agreement as set forth in the protocol, will certainly have no negative effect on our research and development programs.... The same can be said of the SALT II treaty itself.... It is most probable that strategic programs for research and development will essentially retain their present form" (pp 16, 17). In answer to the specific questions of Senators McIntyre, Hart, Nunn, Bartlett and others as to whether the United States would allow any restriction of research and development programs by the SALT II treaty, very unequivocally replied "no" at least 30 times and did not say "yes" even once.

Brown and Perry reported that the United States intended, regardless of the SALT II treaty, to deploy a new system of intercontinental ballistic missiles in place of the "Minutemen" system (p 5); the United States would deploy as many winged missile carriers ad necessary; the United States believed it had the right to considerably improve the present winged missiles; no restrictions would be imposed on the Trident program either, within the framework of the general ceiling on missiles with multiple warheads (p 9). According to W. Perry, the SALT II treaty would have no effect whatsoever on the development of new medium-range missile systems in the United States for deployment within the territory of the European NATO countries. In this connection, he expressly stated that "the United States made it clear at SALT that the transmission of weapons and technology to our allies would continue and could not be interpreted as a violation of the agreement" (p 38).

"I," H. Brown said, "would not really expect any cuts in spending, because research and development for all practical purposes are unrestricted and the maintenance of our research and development efforts is a significant safeguard, both with SALT and without it" (p 50). In fact, the decision made in December 1979 by the Carter Administration and NATO Council signifies a sharp increase in appropriations for military programs. The intensive development of American medium-range nuclear missiles and the decision to deploy them in a number of Western European countries are injuring the entire process of military detente by undermining its foundations. The United States' pursuit of military-technical superiority in new weapon systems and the plans to deploy them as close as possible to the Soviet border are contrary to the fundamental principle of our relations--the principle of equality and equivalent security--because this buildup of offensive potential will destabilize the strategic balance. The "Joint Declaration on the Principles and Basic Guidelines of Subsequent Strategic Arms Limitation Talks," which was signed by the Soviet and U.S. leaders at the same time as the SALT II treaty, clearly specifies the obligation of the two sides to "continue, with a view to reducing and preventing the danger of nuclear war, seeking measures to strengthen strategic stability, including the limitation of strategic offensive weapons, which destablize strategic equivalence to the maximum, as well as measures to reduce and prevent the danger of sudden attack."[1]

Apparently, the U.S. and NATO leaders are interested less in mutual steps to prevent nuclear war and to achieve disarmament than in exclusive military advantages. This is also indicated by the theoretical statement with which the Pentagon chief concluded the hearing: "As I stressed in my report, I believe that our weapon production policy should be conducted in

---

1. PRAVDA, 19 June 1979.

close connection with a policy or arms control to ensure adequate strategic potential and to guarantee the security of the United States and our allies" (p 58). In November 1979, in a TRIALOG magazine interview, H. Brown expressed his views even more clearly: "SALT is a supplement to our strategic programs, and not an alternative to them." This statement proves that the United States is striving not merely to coordinate two incompatible goals--the buildup and limitation of arms--but obviously to subordinate the latter to the former.

It is also obvious that a tendency to rely on a "position of strength," similar to the tendencies of the early 1960's, is once again taking its place in U.S. military-political strategy. Now, however, even far from progressive American military experts like R. Burt admit that the "concept of 'rearmament for the sake of disarmament,' worked out under President Kennedy, is nothing other than a cynical attempt to justify bigger defense budgets." This is all the more true now, given the acknowledged strategic parity of forces.

Overpopulation and Other Global Issues

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80 pp 115-118

[Review by G. S. Khozin of the book "The Twenty-ninth Day" by Lester R. Brown, New York, W. W. Norton and Co., Inc., 1978, XIII plus 360 pages]

[Text] When students in French schools are told about geometric progression, they are asked the following riddle: There is now only one lily pad in the pond, but each day the number of pads will double. If we know that the pond will be completely covered by pads on the 30th day, when will it be half-covered? The correct answer is the 29th day.

Brown begins his book with an alarmist warning: "Our global pond, which is now inhabited by 4 billion people, is already at least half full. During the lifetime of the next generation, it could be filled to capacity" (p 1).

The author of the book is a prominent expert on the problems of socioeconomic development. He worked in the U.S. Department of Agriculture under Presidents Kennedy and Johnson and then occupied a high position in the Council on the Affairs of the Developing Countries for 5 years. Brown is now the head of the "World Watch Institute"--"an independent, non-profit research organization, established for the purpose of analyzing global problems and bringing them to the attention of the public." Institute activities are financed by private foundations, organizations within the UN system and federal agencies.

Scientific works and press articles by World Watch Institute researchers analyze global issues of the present day--ecological, energy and demographic problems, the fight against hunger and disease and so forth. The author cites impressive factual material to convince the reader that global problems must be solved. It would be futile, however, for the reader of the institute's works to seek an analysis of the actual political and socioeconomic reasons for the exacerbation of these problems, not to mention businesslike recommendations, on the basis of which specific practical steps could be taken in individual states and large regions of the planet.

In general, the author expresses the correct opinion that political decisions regarding major international problems must now be made with consideration for a broader group of factors reflecting the material potential of states to attain particular goals, as well as the possible environmental consequences of these decisions.

In his opinion, it will be necessary to thoroughly analyze global problems, plan special measures and allocate resources for their quickest possible resolution. In spite of the "unspecified target" of the author's accusation regarding "nearsighted political leaders, who need to hang on to power for another year or another term and who therefore are reluctant in their work to look into the distant future, without which it will be impossible to attain such long-range social objectives as the restoration of forests, the conservation of energy or the stabilization of population growth" (p 10), it is apparent that the appeal of broad generalizations often causes L. Brown and his colleagues to indulge in some exaggeration of the evil effects of contemporary man's economic activity on the environment. The composition of the book and the nature of the facts and statistics cited by the author eloquently testify that he is more concerned with analyzing the existing state of affairs on the planet than with a search for cardinal solutions to global problems, including ecology.

Brown attempts to categorize the effects of societal activity on nature and their consequences for mankind. In his system of classification, the first level consists of physical signs of the increasing "ecological overloads" on the environment--the depletion of the planet's pastures, soil erosion and some symptoms of climatic changes. On the next level, he lists the economic consequences of these overloads--the raw material shortage, inflation, unemployment and stagnation or recession. It is quite indicative that the author does not draw any distinctions between the nature and urgency of these processes in states with different social structures. The final and highest level is made up of negative social and political processes and phenomena arising from tension on the first two levels--hunger, forced migration to the cities, the deterioration of standards of living and political unrest.

In the very first chapters of the book, the reader is offered a description of the increasingly complex interrelations between society and nature and he learns that the many diverse burdens placed on the environment by human activity are already beginning to exceed permissible norms. Brown stresses that the concept of permissible norms is well known to biologists, soil scientists and experts on flora and fauna, but that the economic advisers and politicians who make the decisions do not have the slightest idea of what this means. But the "permissible load on the natural biological system depends on its maximum stable productivity, which, in turn, depends on the dimensions of this system and its reproduction potential" (p 13).

Citing concrete examples, Brown proves that the continuous deterioration of the planet's basic biological systems--world ocean fish reserves, forests, pastures and arable land--is not a minor problem of interest only to environmental experts. In view of the fact that economic activity on the planet depends on these basic biological systems, any threat to their existence could undermine the functioning of the world economy and, consequently, endanger the very future of the human race. This opinion naturally gives rise to the question of why the author assigns all mankind the responsibility for the sociopolitical consequences of technological progress, which has acquired its most distorted and intensive forms in the capitalist states and, to a considerable extent, has been carried over to the developing countries by capitalism. It is also interesting that Brown's suggestions on how these negative phenomena might be overcome are of an abstract and apolitical nature. In particular, he writes that overcoming all of these consequences will necessitate the creation of a "new social ethic" (p 8). It is pointless to speak of a new social ethic which would ignore such realities and burning problems of the present day as the struggle and interaction of opposing social systems, class antagonism between the working masses and the bourgeoisie, crises in the capitalist economy which give rise to conflict situations in various parts of the world, the arms race and the struggle for disarmament, and ideological battles over present and future problems. Brown asserts that if mankind will just substitute an "accumulation ethic" for the now prevalent "gross ethic," it will have a real chance of survival. But mere survival does not mean that the extremely difficult problems now facing states and influencing the world economy and international relations will be solved.

The long drawn-out discussions of demographic processes and trends in various states and parts of the world suffer from a lack of recommendations regarding at least the approximate possibility of solving these important problems. The energy problem, which represents a great difficulty for the United States and other capitalist states, is discussed only briefly in the book. The author limits himself to wishful thinking about a transition to a "post-petroleum energy industry," which he hopes will not be nuclear (p 127). Brown is aware that the attainment of this goal will involve the use of various combinations of forms and methods of energy production, available to states under specific conditions, as well as energy conservation measures and the more efficient use of energy. Brown assesses world food supply prospects primarily by comparing structures and volumes of food production and changes in world grain reserves under the conditions of increasing food requirements. In his opinion, the instability of world food supplies in the 1970's "was more pronounced than at any other time in the war-ravaged year immediately after World War II" (p 128). Brown advocates an active policy to control the birth rate and food production.

According to Brown, the main economic consequences of today's global problems are a combination of escalated inflation and increasing unemployment ("stagflation"), and the use of "resource diplomacy" to regulate the changed political relations between the once-dependent states producing raw materials and the developed capitalist countries, which are experiencing an increasing need for significant quantities of mineral resources and are not capable of satisfying this need with their own internal sources.

The very expansion of the research framework and the combination of natural, technical, economic and sociopolitical subject matter in the book appear to L. Brown, just as to other bourgeois scholars who are not well acquainted with the creative heritage of Marxism-Leninism, to be a major achievement in the comprehensive interdisciplinary analysis of events taking place in individual countries and in the international arena. In fact, however, research of this kind represents only a timid step toward an objective view of the world. For example, L. Brown, in particular, predicts that "the next two decades will be quite filled with social changes, which will be extremely fundamental, regardless of the historical yardstick by which they are measured" (p 10). But his examination of these changes is based on a belief on the unshakeability of capitalism, which, according to many Western sociologists, political scientists and philosophers, will constantly evolve, reaching ever-higher levels of perfection. In this respect Brown's views match up to the opinions of technological optimists and unrestrained apologists like Herman Kahn, who has said that many people "underestimate the dynamism and flexibility of capitalism."

We must also say that the book "The Twenty-ninth Day," just as the majority of other World Watch Institute works, focuses on the investigation of technical solutions to global problems (the transition to a "post-petroleum" energy industry, "demographic planning," the introduction of progressive methods for the use of waste products and secondary raw materials, the transmission of the "appropriate technology" to the developing countries, the protection of human health, the preservation of endangered species of animals and so forth), and on the personal views of a particular abstract inhabitant of the earth in regard to these problems. There is no mention here, however, that the very origination and exacerbation of the global problems of the present day have not resulted from the activity of all states, but primarily from capitalist activity.

The pages of Brown's book sound an appeal to mobilize all forces for the resolution of urgent problems, but not to determine and eliminate the causes of crises, which no longer take place in individual countries, but are of global scale. The separation of the economic, technical, energy and ecological aspects of the activities of states from major sociopolitical processes is the weakest link in the position taken by the representatives of this school of research into the global problems of the present day.

Report on U.S.-China Relations

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80 pp 118-120

[Review by A. A. Nagornyy of the book "Beyond Normalization: Report of the UNA-USA National Policy Panel to Study U.S.-China Relations," New York, 1979, 79 pages]

[Text] This report is one of the first works in which an attempt is made to analyze various aspects of the normalization of diplomatic relations between the United States and the PRC.

The history of the compilation of this work is interesting in itself. Back in the fall of 1978, the influential American United Nations Association decided to create a special committee to study the prospects of U.S.-Chinese relations in the 1980's. "It was already apparent then," R. Roos, chairman of the association's national policy panel, writes in the foreword, "that the normalization of relations with the PRC would raise a number of specific questions for American politics in the near future." The members of the committee were prominent experts on Chinese affairs (A. Barnett, R. Scalapino, J. Cohen, H. Hardin and others), influential businessmen (D. Rockefeller and J. Canelli) and representatives of political circles (Congressman J. Anderson and Senator J. Glenn). The group was made up of four sections which studied the following topics: the economic aspects of future U.S.-Chinese agreements; the strategic consequences of the evolution of U.S.-Chinese relations; the political-legal side of U.S.-PRC interrelations; and, finally, bilateral contacts with China (science, education, culture and so forth). In March 1979, a delegation made up of 20 members of the group visited Beijing, Tokyo and Taipei to clarify some obscure matters.

Therefore, this new report is the result of extremely intense and diverse activity by an entire group of authors, who have attempted to briefly set forth their use on American policy toward China.

It must be said that both the strong and the weak features of this work are largely connected with the specifics of its publication. The authors must be given credit for quickly responding to an extremely urgent matter. The value of the book also consists in its reflection of a balanced point of view, giving the reader an understanding of the basic elements of Washington's current China policy and the outlines of his future policy.

As for the weak spots of the work, they are also partially related to the specific features of this genre. The fact is that we are not presented with a consistent analysis of foreign policy issues, but, rather, with a policy-planning document, which is supposed to set forth a program for

Washington's future actions in relations with China. Apparently, this is why recommendations are quite often not backed up by any profound or thorough analysis.

The authors stress that the successes and failures in U.S.-Chinese relations are closely related to domestic political developments in both countries (p 22). This is followed by a brief analysis of the political situation in the PRC (which, incidentally, is not accompanied by a corresponding analysis of the American internal political situation and its effects on Washington's China policy). Expressing the opinion that the majority of social groups and strata in the PRC will benefit from the current initiatives of the Chinese leadership, the authors ignore the fact that the pragmatists in the Chinese ruling clique are not at all unanimous in their views on the future of the PRC. Although the possibility of a new internal political struggle in the Chinese leadership is not excluded in this report, the authors see a tendency toward stronger political stability in the present regime (here it is apparent that political stability in the PRC is associated with the reinforcement of Beijing's anti-Soviet line). The basic condition for this kind of stability is, according to the authors, "the attainment of the goals set forth in the 'Four Modernizations' program, since the Beijing leadership has, more than any other, linked its future with national economic success (pp 25-26).

Conclusions regarding the increasing significance of economic factors in the total set of U.S.-Chinese relations are examined by the authors in an extremely fragmented and tendentious matter. For example, when the authors discuss the economic program of the PRC, the primary objective of which is supposedly agricultural modernization and expansion, they seem not to notice that capital investments in heavy industry are three times as high as capital investments in the agricultural sector in the 1979 PRC budget. The authors also warn against the danger of "excessively high" expectations, which have arisen both in the American business community in regard to the prospects of U.S.-Chinese economic relations, and in the Chinese leadership in regard to the dimensions of U.S. participation in the process of China's development. At the same time, considering the importance to American interests of the preservation of Beijing's political orientation, the authors strongly recommend as much intensive assistance as possible in the economic development of the PRC. According to their estimates, China will have to increase its foreign debt to approximately 20-25 billion dollars in the next 6 years (up to the end of 1985). In connection with this, they said it is probable that mutual commodity turnover will increase to 4-5 billion dollars by 1985. According to expectations, this level will be made possible, in particular, by the expansion of PRC export potential (oil), the broad-scale crediting of Beijing and, finally, direct U.S. investments in the Chinese economy. In an apparent warning to their Chinese partners, the authors state that "American interest in joint enterprises will depend on the judicial status of the commercial legislation now being drawn up in the PRC" (p 40).

The important issue of the strategic consequences of normalization is only discussed in third place in the report. On the whole, the establishment of full diplomatic relations, according to the authors, has aided in strengthening American influence in the region. As they stress in this report, U.S. recognition of the PRC is related to several major issues, primarily the content and duration of the new-born U.S.-Chinese interrelationship, Soviet-American relations in Asia and other geographic regions, and U.S. and PRC relations with other countries in Asia. In connection with this, the authors analyze the strategic goals of each Asian power in this region under the conditions of U.S.-Chinese normalization. It must be said that geopolitical logic leads the compilers of the report to the conclusion that American and Chinese interests coincide to a considerable degree. The question of the global mutual interests of the United States and USSR is completely ignored. In particular, nothing is said about the desire of the USSR and the at least proclaimed desire of the United States to reach an agreement on problems of such great importance to the entire world as arms race control, disarmament, the prohibition of nuclear tests and of the proliferation of nuclear weapons to other countries and so forth. Moreover, the authors see the PRC's main strategic goal in its alleged desire for "territorial integrity" (p 49). It is no secret, however, that Beijing itself issues territorial claims and sometimes tries to settle them with the aid of military force. Some other examples of the authors' unobjective approach to foreign policy realities on the Asian continent could be cited.

At the same time, the authors reject the idea of direct alliance with Beijing's anti-Soviet course, saying that this would not be in the U.S. interests.

Finally, the report also investigates bilateral relations in the areas of science, technology, culture and education. "One of the most important changes in U.S.-Chinese relations in the last year," the study says, "was the rapid expansion of exchanges of scientists, students and trade and cultural delegations" (p 64). The compilers of the report believe that these exchanges benefit both sides, although they stress that Beijing is much more interested in such exchanges. The modernization and incorporation of progressive technology (including military), the authors write, will necessitate the creation of an entire army of highly educated specialists, who can be trained with the assistance of the West, especially the United States.

There is no question that the recommendations of the report's authors are interesting. They are addressed to the American Government and essentially convey the following message: Within the near future, Washington must institute a complex of measures to render various types of assistance to the PRC. In economics, this will entail the expansion of private and government loans, the granting of most-favored-nation terms in trade and the encouragement of private companies to make direct investments in China. In the political sphere, this will call for the reinforcement of overall relations with Beijing. In the area of military strategy, this will call for stronger American military presence in the Pacific and the encouragement of other Western countries to sell weapons to Beijing.

Just as in the past, the authors recommend that the government refrain from direct sales of weapons to the PRC, as well as from any kind of agreements with Beijing aimed at the creation of an anti-Soviet alliance. Nonetheless, the recommendations essentially substantiate the policy of deliberately strengthening China, a nation which makes territorial claims on neighboring states and quite readily resorts to the use of military force. It appears that the authors are simply cleverly camouflaging their own true desires regarding U.S.-USSR-PRC relations. It is also striking that the authors of the report essentially take no interest in such issues as the involvement of the PRC in disarmament negotiations, the continuous atmospheric tests of Chinese nuclear weapons and many other of Beijing's actions which are inconsistent with the interests of world peace.

International Information Exchange

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 3, Mar 80
p 120

[Review by A. B. Pankin of the book "Mezhdunarodnyy obmen informatsiyey" by G. N. Vachnadze, Tbilisi, Sabchota Sakartvelo, 1979, 278 pages]

[Text] In this book, the author examines a complex of questions connected with one of the most urgent problems in contemporary international relations--international information exchange. The author analyzes the theoretical assumptions and practical policy of several leading Western countries in this field.

The closest attention is given to a study of the ideological premises of American imperialism in this sphere, their evolution and their implementation during various stages of postwar history in relation to different groups of countries.

The prevalent U.S. concept--the so-called principle of the "free flow of information"--envisages the opening of state borders for the dissemination of information of all types, which, according to American ideologists and politicians, would make a maximum contribution to mutual understanding between people.

In fact, however, this concept, as the author proves, is only the theoretical basis for political, ideological and cultural expansion by American imperialism. The United States is disseminating huge quantities of products of the U.S. press and television throughout the non-socialist world, and American news agencies have seized the lion's share of the news market in the capitalist nations and most of the developing countries. News reflecting the American point of view dominates the information disseminated there.

The author demonstrates that the concept of the "free exchange" of information is actually aimed at guaranteeing bourgeois, primarily American, press articles and other products unimpeded access to other countries and, simultaneously, at maximum "suppression" of information from other sources, especially the USSR and other socialist countries. It is no wonder that American "informational imperialism" is being opposed by the majority of states in the world. The author of this book describes the struggle waged at various international forums--from the all-European conference in Helsinki to UNESCO conferences--for the establishment of truly democratic and egalitarian principles of information exchange.

8588
CSO: 1803

JPRS 75972

2 July 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 4, April 1980

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

JPRS 75972

2 July 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 4, April 1980

Translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

Lenin's Conception of Foreign Policy and the Present Day
(A. Yu. Mel'vil') 1

Some Aspects of the Present-Day Strategy of Imperialism
(A. Z. Astapovich) 18

Lenin's Policy on Iran and the Intrigues of Imperialism (From the History of American Expansion in Iran)
(I. A. Yusupov) 36

United States Foreign Policy at the Start of the Eighties
(G. A. Arbatov) 52

New Phase in American-Brazilian Relations
(P. G. Litavrin, P. P. Yakovlev) 67

Preservation and Revitalization of Historical Buildings*
(A. V. Ikonnikov) 79

The "China Factor" in Washington's Foreign Policy Adventures
(B. N. Zanegin) 80

West European Challenge?
(V. S. Shein) 88

Chrysler Vicissitudes*
(N. A. Zakharov) 95

Government Incentives for Research and Development in Canada*
(B. I. Alekhin) 96

---

* Not translated by JPRS.

"New Role" of Japan Debated
(V. I. Churin).. 97

The Powers That Be*
(David Halberstam).. 103

Book Reviews
Non-Proliferation Safeguards, by V. F. Davydov............. 104
Study of Soviet and U.S. Diplomacy, by V. M. Berezhkov..... 107
Unemployment in America, by L. A. Nemova*.................. 109
Social Security Plans and Problems, by S. I. Chorbinskiy*.. 109
Current U.S. Foreign Policy Theories, by Yu. K. Krasnov.... 109
Capitalism and Environmental Protection, by V. D. Pisarev.. 110
Labor Unions and Foreign Policy, by Ya. N. Keremetskiy..... 111
American Blacks, 17th-20th Centuries, by S. A. Chervonnaya* 113

Chronicle of Soviet-American Relations.............................. 114

---

* Not translated by JPRS.

PUBLICATION DATA

English title	: USA: ECONOMICS, POLITICS, IDEOLOGY No 4, April 1980
Russian title	: SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA
Author (s)	:
Editor (s)	: N. D. Turkatenko
Publishing House	: Izdatel'stvo Nauka
Place of Publication	: Moscow
Date of Publication	: April 1980
Signed to press	: 14 March 1980
Copies	: 38,000
COPYRIGHT	: Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1980

LENIN'S CONCEPTION OF FOREIGN POLICY AND THE PRESENT DAY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 3-16

[Article by A. Yu. Mel'vil']

> [Text] "The course of history and the extremely profound metamorphosis that are radically changing the appearance of today's world are providing us with more and more new evidence of the accuracy and indestructable force of Lenin's ideas."
>
> From the decree of the CPSU Central Committee on the 110th anniversary of Vladimir Il'ich Lenin's birth

All of the outstanding revolutionary events of the 20th century are indissolubly connected with the name of V. I. Lenin--the leader of the world proletariat, the founder of the Soviet State and the greatest scholar, theoretician and practition of the revolutionary renovation of the world. V. I. Lenin made an invaluable contribution to the creative and comprehensive development of Marxism and successfully used the method of dialectical materialism, worked out by the founders of this doctrine, to analyze new historical conditions. "Leninism is the Marxism of the present era, the only integral and constantly evolving doctrine of the international working class,"[1] the decree of the CPSU Central Committee "On the 110th Anniversary of Vladimir Il'ich Lenin's Birth" states.

Lenin's teachings about imperialism, about socialist revolution and proletarian dictatorship, about the new type of party, about the class allies of the proletariat in the struggle for democracy and socialism, about the indissoluble connection between social and national liberation and about the principles of peaceful coexistence by states with differing social structures have become a powerful ideological, theoretical and methodological instrument for the social transformation of the world.

The course of social development attests to the successful materialization of Lenin's ideas, which have become a strong factor in world politics. No international issue of any gravity or importance can now be resolved without the participation of the USSR, a state whose foreign policy activity has always been based on the strictest fidelity to V. I. Lenin's instructions. Proof of the accuracy and indestructable force of Leninism can be found in the very foreign policy of the USSR, which is distinguished by several qualitatively new features. Above all, these include a love of peace, stemming from the very nature of the socialist order, which has put an end to exploitation within its own borders and is striving to eliminate it from relations between large and small nations and states in the international arena. Lenin's prediction is coming true: "The Bolsheviks will establish absolutely different international relations, giving all oppressed nationalities an opportunity to rid themselves of the imperialist yoke."[2]

The Leninist foreign policy program of the Soviet State openly declared and implemented, for the first time in the history of intergovernmental communications, the principles of proletarian internationalism, peaceful coexistence and genuine equality and democratism. These principles marked the beginning of the reorganization of world relations and the establishment of a new world order, based on the standards of justice, equality, mutual advantage and the renunciation of discrimination. For the first time, a foreign policy line was consciously based on the principle of active participation by the popular masses as the most important factor in international relations, the principle of extensive participation by the masses in making and implementing the foreign policy of the socialist state. The decisions of this state are backed up by unanimous public support. For the first time, policy began to gain strength from its frankness, the sincerity on which V. I. Lenin always insisted. One of the distinctive features of the foreign policy of the first socialist state was its willingness to take the initiative: After all, it was Lenin's "Decree on Peace" that marked the beginning of a constructive dialog with the West for the purpose of establishing the principles of peaceful coexistence in relations between states with differing social systems.

All of the international activity of the CPSU and the Soviet State is permeated with fidelity to V. I. Lenin's ideas and is backed up by them. They serve as its scientific ideological, theoretical and methodological foundation and a practical guide for action.

One of the most important conditions of the Leninist approach to politics is its specific and objective assessment of the balance of various forces and tendencies in the world arena. The creative nature of the Leninist method of analyzing international relations and problems is the reason for the profundity of research by Soviet theoreticians, as well as foreigners who take a Marxist-Leninist stand, on new phenomena and processes in international life. It allowed for the immediate accurate recognition of the social class nature of international fascism, the correct definition of the present era as the era of the general crisis of capitalism, the determination of the objective laws governing the establishment of the world socialist system and the new type of international relations developing within this system, the analysis of the objective conditions, tendencies and prospects of the policy of international detente and, finally, the discovery that world war is no longer inevitable now that the balance of power in the international arena has changed.

The force and success of Lenin's ideas stem from the very nature of Marxist-Leninist theory and, in particular, from the fact that this theory organically and indissolubly combines strict adherence to scientific principles (as the main consideration in the social sciences) with adherence to revolutionary and party principles, since the objective of this science and theory has openly been declared as the assistance of the proletarian class in its revolutionary struggle.

A prominent place in Lenin's theoretical legacy is occupied by his comprehensive and scientifically sound conception of foreign policy and international relations in the period of transition from capitalism to socialism. One characteristic of this Leninist conception of foreign policy is internal systemic harmony and integrity,[3] and we have every reason to regard Lenin's ideas on foreign policy and international relations as a completely definite, comprehensive and multileveled theoretical system.

The bottom level of the Leninist conception of foreign policy, the general theoretical level, is made up of the basic tenets of historical materialism, which explain the dynamics of socioeconomic structures and the laws of class struggle. This is followed by the level on which the specific nature of international relations and the basic trends in social development are investigated; it is on this basis that special categories and laws, operating exclusively in the sphere of foreign policy, are determined. Finally, there is the top "floor" of the theory, which is made up of an accurate understanding of the past and present of international relations as a sphere of scientific analysis: Here again, objectivity is an absolutely essential condition for the Leninist approach to foreign policy as a science.

The process of contemporary world development is providing us, as pointed out above, with more and more new evidence of the scientific profundity and practical value of Lenin's revolutionary conception of foreign policy. What are the reasons for the undiminishing influence and significance of this theory today?

This is due to a number of factors, including the present growing importance of the ideological factor in foreign policy, particularly theories and ideas on international relations and processes taking place in the world arena. Under the present conditions of the increased complexity and close interaction of international issues, particularly those with a bearing on the very survival of human civilization, the empirical method of "trial and error" could lead to a catastrophe. For this reason, an urgent need is being sensed everywhere, now more than ever before, for a theory capable of providing a truly scientific explanation of ongoing processes and indicating the actual prospects of world development. In addition, the increasingly important role of theoretical knowledge in the practice of foreign policy is also dictated by the need to regulate and direct the mounting political enthusiasm of the broad popular masses into the proper channels--enthusiasm which is reflected in their stronger influence in the sphere of foreign policy. This enthusiasm must be based on truly scientific knowledge.

Without attempting to cover this extremely serious and multifaceted subject in its entirety, we will focus our attention on some of the major components of Lenin's conception of foreign policy, which are of cardinal significance today. These are, firstly, the scientific method of analyzing international relations, worked out by V. I. Lenin on a principled basis laid by the founders of Marxism; secondly, the theoretical system of foreign policy and international relations established by V. I. Lenin, which provides for a comprehensive analytical understanding of the systemic interdependence of phenomena, processes and tendencies in the international arena; and, finally, the revolutionary nature and humanitarianism of Lenin's strategy of peace, which is now being successfully implemented in the international activity of the CPSU and Soviet State. Now that we have outlined our subject matter, we will delve further into the undiminishing significance of Lenin's ideas as applied to the current state of Soviet-American relations.

Scientific Method of Analyzing International Relations

The reversal accomplished by V. I. Lenin in foreign policy thinking was primarily reflected in the elaboration of a truly scientific method of analyzing international problems and relations.

Defining policy as a science and an art, V. I. Lenin insists on the need for the strict scientific substantiation of political activity, particularly foreign policy actions, and calls the "materialistic theory of politics" its theoretical and methodological basis.[4] The stipulation that a scientific approach is essential in the analysis of foreign policy presupposes the study of the peculiarities and dynamics of international relations as the development of socioeconomic structures governed totally by objective general laws. Lenin regards politics as the sphere of relations between classes and nations in connection with the seizure and retention of power and defines politics as "economics in concentrated form";[5] he attaches cardinal significance to the ability to comprehend the specific material and economic interests of the particular classes and social groups which somehow influence the making of foreign policy by states. This is why the specific individuals, or even parties, defending certain views and positions at a given time are less important in politics than the particular classes and social groups for which these views and attitudes are directly beneficial.

Various types of components can be distinguished in the structure of international relations--foreign economic, political, legal, military, cultural, scientific and technical, moral and ideological, sociopsychological and so forth. The immediate subjects of these relations are usually states, particularly under the conditions of a class antagonistic society, in which the state expresses the special interests of ruling classes. But international relations also develop between peoples, in connection with which V. I. Lenin always insisted on the need to simultaneously address both governments and people. Today, now that major foreign policy decisions have more and more of a bearing on the prospects of war and peace and the fate of millions of people, Lenin's prediction that the broad popular masses will become increasingly active subjects of international relations is coming true: "Broader and deeper historical participation by people should be accompanied by an increase in the number of people who consciously make history."[6] To one degree or another, the subjects of international relations are social systems, social groups, parties, organizations and so forth. At present, a factor of cardinal significance is the appearance on the international scene of the socialist states, which are conducting a fundamentally new foreign policy, and the developing countries, which are fighting for truly egalitarian and mutually beneficial international relations.

The Leninist approach to the analysis of foreign policy assigns considerable importance to the historic principle. Before international relations could originate and develop on a global scale, the process of worldwide social historical development naturally had to go through certain preliminary phaces, and the specific features of each historical period of these relations always stemmed directly from the peculiarities and functioning of the socioeconomic structures existing in each given period.

Here V. I. Lenin bases his reasoning on K. Marx' famous statement that international relations are not primary, but secondary and terciary and, in general, derivative or "transferred" social relations.[7] This "transfer" is accomplished by means of various mediating factors: For example, through the interaction of domestic economics with world economic development, through the reciprocal influence of domestic and foreign political processes, through the interaction of ideology, public thinking, the public mentality and so forth.

From the premise that domestic relations are primary and international relations are derivative of the former, V. I. Lenin deduces the following major principle of the scientific analysis of international problems--namely, the principle of the unity and dialectical interdependence of domestic and foreign policy. "Distinguishing 'foreign policy' from policy in general or, in particular, contrasting foreign policy to domestic policy," V. I. Lenin stresses, "is a thoroughly incorrect, non-Marxist and unscientific practice."[8]

There are objective and subjective reasons for the unity of domestic and foreign policy. An objective factor is the abovementioned interdependence of domestic and international relations and their determination of the nature and dynamics of socioeconomic structures. The subjective reason is connected with the fact that the subject is a specific class, represented by the state, which conducts domestic and foreign policy aimed at the preservation and consolidation of the given structure of social ties and relations and the given system of ownership.

Therefore, within the framework of the unity of domestic and foreign policy discovered by Marxism-Leninism, processes occurring in domestic politics have a decisive effect on foreign policy. In turn, the foreign policy of the state is independent to some degree and is capable of sometimes exerting considerable reciprocal influence on the domestic life of society. This methodological premise of Lenin's scientific approach to the analysis of the interrelationship of domestic and foreign politics is of great practical significance in contemporary diplomacy and international relations.[9]

The significance of Lenin's method of analyzing the relationship between domestic and foreign politics is particularly great in our time, now that the tendency, characteristic in general of the stage of imperialism, toward the more pronounced intermeshing of these two spheres of social relations can be seen quite clearly. It is no coincidence that this is the object of heightened interest (although not always productive) in Western foreign policy thinking. In particular, the obsolescence of American foreign policy's traditional alternatives of isolationism and expansionism has been admitted. The current trend is the further, even greater expansion of the sphere of foreign policy activity by states, and many foreign policy decisions turn out to be domestic in their origins and consequences (and vice-versa).

In the traditional bourgeois view, questions connected with borders, spheres of influence, the balance of power and so forth have always been foreign policy subject matter; all of the leverage of power has been held by a small group of imperialist powers. Today new social forces are loudly announcing their presence in the world arena--the worldwide socialist system, the developing countries, the international working class, the peace movement and others. The foreign policy agenda now includes new and complex issues, some of which are global in nature and directly related to the domestic life of society. The increasing complexity of foreign policy activity and the appearance of new tendencies in the development of international relations are also connected with a distinctive feature of the present day--the fact that the sphere of world politics is now an area of close interaction and interdependence not only involving the abovementioned two spheres in specific countries, but also the foreign and domestic policy lines of states with differing social structures, particularly the capitalist and socialist countries.

Theoretical System of International Relations

Lenin's elaboration and implementation of a genuinely scientific materialistic approach to the analysis of international relations served as an essential instrument and foundation for the construction of his comprehensive and thoroughly substantiated theoretical system of foreign policy and international relations. Lenin's conception of foreign policy is distinguished by an integral view of international relations as a profoundly interrelated system governed by the general laws of social development. The system is unique in that the principle of its theoretical construction does not consist of certain external and specific parameters of international relations (as, for example, the variety of geometric--"triangular," "rectangular," "pentagonal" and others--models of international relations that are popular in the West today and are based on various, often mutually exclusive interpretations of the balance of power in today's world, or the equally popular "lines" of power conflicts and connections as "East-West," "North-South," "West-West" and so forth), but their internal and fundamental characteristics, stemming from the dialectical, historical-materialistic interpretation of the nature of international relations.

"People live within a state, and each state lives within a system of states, and these states exist within a system of some kind of political balance in relation to one another,"[10] V. I. Lenin said. Within the framework of this system there are various natural laws, some of which govern the entire system while others are confined to specific subsystems. But the chief laws governing the functioning of the system of international relations are those which are affected by the general laws of social development. The appearance of the first socialist state in the world arena and, later, the appearance of the worldwide socialist system introduced a distinct element of social class polarity into the structure of international relations. There was qualitative modification of the conditions and laws governing international ties and relations, in accordance with which the development of the global sociohistorical process in the world arena acquired, as V. I. Lenin pointed out, the nature of a confrontation between two structures and two economic systems--communist and capitalist.[11]

Lenin's ideas about the fundamental characteristics of the contemporary system of international relations stemmed directly from his theory of socialist revolution. As we know, K. Marx and F. Engels believed that communist and non-communist countries, and even "anticommunist nations," would exist simultaneously for some time.[12] In the new historical era of imperialism, even before the socialist revolution, Lenin had drawn conclusions regarding the differences in the economic and political development of various countries and the possibility that socialism would first be victorious in just a few countries or even in a single nation.

Therefore, during a specific historical period, the parallel existence of states belonging to opposite socioeconomic structures, between which extremely complex and contradictory international relations develop, colored by the objective requirements of the transition period, becomes inevitable.

An important component of Lenin's theory of foreign policy in the period of transition was the distinction he drew between two spheres, or two levels. The first consisted of relations between the social systems themselves, while the second covered relations between states, which could belong to the same system or to different ones. Precise differentiation between these levels is necessary primarily because each is governed by its own natural laws and mechanisms (often unrelated). Lenin's differentiation is the reason for distinguishing between the sphere of intergovernmental relations and the sphere of social processes, the class and national liberation struggle. It is also the reason for the inadmissibility of any "export" of revolution or counterrevolution. Today, under the conditions of processes connected with the normalization of relations in the world arena between states belonging to different systems, these elements of Lenin's theory of international relations are acquiring decisive significance. In particular, they constitute an unequivocal response to Western politicians who would like to confuse these areas and blame domestic social processes on those taking place in the intergovernmental sphere.

The appearance of two different social poles in the global system of international relations marked the beginning of a qualitatively new stage in the class struggle of the proletariat, during which this struggle rose to the global level. After taking over the government, the proletariat does not cease its class struggle, but continues it in a different form and by different means.

Relations between social systems become dominant in the international relations of the transition period. Regardless of the specific nature of relations between different states, they can be categorized according to Lenin's qualification of different types of relations according to the degree to which they reflect the basic social conflict and new social tendencies in the world arena. The development of a comprehensive theoretical system for the classification of international relations was one of the important scientific achievements of the Leninist conception of foreign policy.

Lenin singles out comradely cooperation as the type of relations most representative of the socialist order's new contribution to international affairs. Within the framework of the socialist community, these relations are based on a single type of socialist ownership and increasingly intensive socialist integration. The development of this type of international relations is based on social community and economic cooperation, political unity and the coordination of foreign policy actions and, finally, cooperation in the sphere of ideology.[13] Another important aspect of comradely cooperation is the dialectical combination of national and international interests, stemming from Lenin's ideas about two tendencies in the national question--toward national independence and economic convergence.

It should be noted that relations of comradely cooperation are also spreading to the ties between socialist countries and countries taking a non-capitalist course of development. The future of international relations will depend on the development of this kind of cooperation.

According to Leninism, the polar type of international relations is the relationship of exploitation and hegemonism, characteristic of antagonistic structures. On the one hand, this is the "relationship of the oppressed nationality to the oppressor," and on the other there is the "relationship between two oppressor nationalities in connection with profit, its division and so forth."[14] The distinctive feature of this type of international relations is the policy of a state or group of states which pursues the goal of using political, economic, ideological or military means to exploit and subjugate other states, nationalities or parts of the world, for the purpose of which force or the threat of force, foreign domination and intervention are used. This type of international relations is of a historically temporary nature, just as the antagonistic order engendering it. The most overt forms of this relations are now the object of principled and extensive criticism and are encountering increasingly resolute opposition, which is attested to, in particular, by the resolution "On the Impermissibility of the Policy of Hegemonism in International Relations," adopted at the 34th Session of the UN General Assembly at the initiative of the USSR.

Relations of exploitation and hegemonism and relations of comradely cooperation represent the two poles; movement from the first to the second constitutes the essence of international relations in the period of the capitalist order's replacement with a communist one. For a fairly long time, international relations will be variable and mixed (and, therefore, particularly contradictory) and will include elements of confrontation. As V. I. Lenin pointed out, however, socialism is interested in the peaceful forms of this confrontation and in the development of egalitarian and mutually beneficial cooperation between states belonging to different systems. These ideas are what make up the basis of the Leninist theory of peaceful cohabitation, or peaceful coexistence.[15]

The main objective prerequisite for the transition to the given type of international relations is the change in favor of socialism in the global balance of power, as well as the successes of the national liberation process and the intensification of inter-imperialist conflicts. The prerequisites also include the objective process of the internationalization of world economics, as predicted by V. I. Lenin. As for the subjective conditions, these include certain changes in the political thinking of the Western ruling elite and the more pronounced realism, which have largely led to the realization of imperialism's diminishing possibilities in the world arena. At the same time, these processes in the ruling class mentality (just as their effect on politics) are far from uniform. Regression is also possible here, leading to situations in which, tempted by the chance of regaining lost political advantages, these ruling circles attempt to return to the use of force and to hegemonistic ambitions, as is being done now in the United States. It is possible that the components of confrontation and cooperation can even be contrasted to one another in international relations of the transition period, in which case the dominant element might be "struggle" or, on the contrary, unjustified attempts to extend the principle of cooperation to such areas that are not under the control of imperialism as, for example, the area of ideology.

In accordance with V. I. Lenin's theoretical system of international relations, peaceful coexistence applies exclusively to the sphere of intergovernmental relations. It does not eradicate the basic conflicts of the contemporary era, it is not an idyllic state of invariability and staticity, and it is not a perpetuation of the sociopolitical status quo.

Peaceful coexistence presupposes the development and expansion of cooperation in absolutely specific areas (primarily in economics, science, technology and culture and, to some degree, in the political settlement of conflicts) between states belonging to different systems. The very process of positive changes in contemporary international relations has been given the name of international detente. In answer to the question of American TIME magazine correspondents, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev said that "detente is the willingness to settle differences and disputes not by force, not by threats and the rattling of sabers, but by peaceful means behind the negotiation table. Detente signifies a certain degree of trust and the ability to respect the legal interests of others."[16]

At the same time, the sphere of relations between the different systems is broader than the group of phenomena and processes covered by the term "detente." It includes competition and elements of confrontation, including encounters in the sphere of ideology, but these must not grow into "psychological warfare," the use as a means of intervening in the internal affairs of states and nationalities or lead to political and military confrontation. It should be noted in this connection that the relaxation of military tension, which is a major element of peaceful coexistence, unavoidably accentuates the importance of non-military forms of competition and confrontation. In particular, as noted in the decree of the CPSU Central Committee "On the Further Improvement of Ideological and Political Indoctrinational Work," the nature of the "dramatically more acute ideological struggle in the international arena" must be taken into account.[17]

Revolutionary Nature and Humanism of Lenin's Strategy of Peace

The theoretical system of foreign policy and international relations that was worked out by V. I. Lenin through the use of the scientific method of analyzing international relations is not derivative or abstract, but practical and effective, and it proposes a comprehensive foreign policy program for action, the purpose of which is to create the necessary conditions for the revolutionary renovation of the world. "Our goal," V. I.

Lenin writes, "is to establish a socialist order, which, after eradicating the division of mankind into classes and eradicating all types of exploitation of the individual by other individuals and of nations by other nations, will certainly eradicate the possibility of war in general."[18] Lenin's program of peaceful coexistence presupposes not only the normalization of international affairs, but also the creation of favorable conditions for progressive social change. This is the profoundly revolutionary purpose of Lenin's strategy of peace. "Peace," V. I. Lenin writes, "is immeasurably more effective than war in advancing the cause.... Peace will clear a path hundreds of times as wide and as long for our influence."[19]

It would be wrong, however, to regard peaceful coexistence simply as a means of attaining certain class objectives. Lenin's strategy of peace and the struggle for peace are also a significant end in themselves, as the present existence of modern means of mass destruction make the prevention of military catastrophe an exceedingly important goal of tremendous general humanistic significance. This was clearly stated by V. I. Lenin: "The end of wars, peace between nations and the cessation of robbery and violence are precisely our ideal."[20] A combination of revolutionary features and humanism therefore constitutes an essential characteristic of Lenin's strategy of peace.

Practical steps aimed at promoting international detente are now acquiring exceptionally great significance in connection with this. "The attitude toward detente is the most precise indicator of the political intentions of any country,"[21] Soviet Minister of Foreign Affairs A. A. Gromyko, member of the Politburo of the CPSU Central Committee, stressed in his speech at a plenary meeting of the 34th Session of the UN General Assembly.

The immutable significance of Lenin's conception of foreign policy for the present day also consists in the dialectical and concrete historical approach to the question of the social nature of war, based on the previously mentioned teachings about the interrelationship between domestic and foreign policy. According to V. I. Lenin, the social nature of war depends on the particular policy the war is perpetuating, the particular class that is waging war and the particular goals for which the war is being fought. Lenin's specific and differentiated approach to the social nature of war, which is regarded primarily as an offspring of the system of private ownership, also includes the analysis of various bourgeois groups and their different approaches to foreign policy aggression. Lenin distinguishes between the "pacifist camp of the international bourgeoisie" and the "belligerent bourgeois, aggressive bourgeois, reactionary bourgeois camp."[22]

This methodological distinction is of particular importance today, now that the prospects for peace depend largely on the outcome of the internal political confrontation between these two groups in the West. The urgency of the matter also stems from the fact that the current policy of imperialist circles sometimes still evinces, and even more vehemently in some cases, a tendency toward militarism, toward reliance on force both from within and from without (a characteristic example is the present U.S. and NATO shift toward a strategy of force).

An important place in Lenin's conception of foreign policy is assigned to the need to defend the socialist homeland, as well as the need to distinguish between just, liberating wars and unjust wars. This, just as the recognition of the relationship between wars and the class struggle, distinguishes Leninism from bourgeois pacifist ideas. Lenin's program of struggle for peace is not of an abstract pacifist nature, but of a class nature. This is why Lenin's definition of peace is not simply the absence of war (although these are related concepts). It presupposes a just, egalitarian and democratic peace.

Another important question also arises: What means does Lenin's strategy of peace presuppose and accept, since it is both class-revolutionary and humanistic in nature? Socialism and the proletariat consistently advocate the peaceful, political resolution of international conflicts and settlement of disputes. "We unconditionally believe it is our duty to wholeheartedly support all attempts to settle disputes peacefully,"[23] V. I. Lenin stresses. It is for this reason that the basic method of Soviet diplomacy and foreign policy activity is the negotiation and conclusion of mutually acceptable agreements. To a certain extent, the tactic of maneuvering and reaching compromises based on a sober, dialectically balanced analysis of the concrete situation is unavoidable and even expedient in such cases. "The objective of a truly revolutionary party," V. I. Lenin writes in his article "On Compromises," "is not to declare the rejection of all compromises impossible, but to remain true, through all compromises, as long as they are unavoidable, to its principles, its class, its revolutionary responsibility and its cause of preparing for revolution and training the popular masses to triumph in the revolution."[24]

Lenin's strategy of peace includes struggle to eliminate and prevent both local conflicts and global wars, and Lenin's legacy contains several ideas of particular value today--the belief that a qualitative advance might transpire in the development of the means of warfare, in military equipment and in the consequences of its use, making war so destructive that it will simply become impossible.

Lenin's instructions and his desire to make world war impossible and to safeguard the cause of peace are being implemented today in the international activity of the CPSU and the Soviet State, primarily in the struggle to carry out the Program of Peace and the Program of Further Struggle for Peace and International Cooperation, for the Freedom and Independence of Peoples. These efforts, which reflect the principled and consistent course of the Leninist foreign policy, are legally reinforced in the Constitution of the USSR, the text of which includes for the first time a special chapter entitled "Foreign Policy," which states that the USSR will consistently conduct a Leninist policy of peace and support the consolidation of public security and broad-scale international cooperation.

Fidelity to the Leninist strategy of peace was reaffirmed in the communique of the meeting of the Committee of Foreign Ministers of the Warsaw Pact States in Berlin in December 1979. In particular, it reasserts the determination and will to persistently act, in conjunction with other states and all peace-loving forces, in the interests of deeper and stronger detente.

Lenin's conception of foreign policy is not only important as a general ideological, theoretical and methodological basis for the international activity of the CPSU and the Soviet State. It is also of fundamental significance in specific areas of international relations, particularly in Soviet-American affairs.

When we discuss the Leninist view of the fundamentals of Soviet-American relations, we must first note the realism and farsightedness of V. I. Lenin, who assessed the economic and political potential of young American imperialism, which was becoming the strongest force of its kind, as well as the prospects for relations between our two countries, representing opposing social systems. For these reasons, the relations between the USSR and the United States were educative in many ways, as they were governed by all of the basic abovementioned natural laws of international relations in the transition period. Lenin felt that the most desirable state of these relations would be peaceful coexistence, which unavoidably includes elements of confrontation, competition and cooperation. He attached particular significance to the development of mutually beneficial economic ties: "We are definitely in favor of an economic agreement with America--with all countries, but especially with America,"[25] he stressed in response to the question of a CHICAGO DAILY NEWS reporter.

Substantiating the importance of establishing cooperation, expanding its sphere and narrowing the sphere of conflicts, Lenin discussed such factors as the United States' key position in the economic and political system of worldwide imperialism, the traditional friendship between the two populations, the definite similarity of territorial dimensions and psychological features, and the existence of revolutionary democratic traditions in the United States. As a realist, however, V. I. Lenin always took into account the aggressive chauvinistic nature of American imperialism, with its pretense of "exclusivity" and world leadership and its tendency to resort to overt force for the sake of attaining its own objectives.

Lenin's ideas about the basic principles of Soviet-American relations are of particular importance today, now that (as the joint Soviet-American communique signed in Vienna in June 1979 noted) the state of these relations is of a primary significance for the vital interests of the people of both countries and largely determine the development of all international politics. The most important recent achievement in this area was the first official admission by both sides of the existence of strategic parity, as well as the reaffirmation of the mutual belief that global military conflict is not inevitable. The reinforcement of the constructive foundation of Soviet-American relations, the expansion of cooperation and progress in joint efforts to prevent and put an end to conflicts in various parts of the world will necessitate the observance and complete implementation of all of the provisions of Soviet-U.S. treaties and agreements, primarily those aimed at consolidating the national security of the two sides by the only possible present means--arms limitation, which will introduce the necessary element of stability and predictability into Soviet-American relations.

As we know, these cardinal issues are now being hotly debated in the United States, and it is most disturbing that the Washington Administration is more inclined to support the interests of what V. I. Lenin called the belligerent bourgeois, aggressive bourgeois, reactionary bourgeois camp. This is apparently the result of several factors: the exertion of pessure by the military-industrial complex, an attempt to "compensate" for domestic economic and political difficulties, the desire to cancel out the "Vietnam lesson" and to overcome the "breach of trust" and the hope of taking another chance at dangerous military-political adventures. An important role is also being played by campaign considerations--the chauvinistic feelings of groups are being encouraged in the hope of scoring more "points" in the election campaign.

Ample proof of this can be found in recent developments in international relations--the resolution passed at the Brussels session of the NATO Council on the deployment of qualitatively new nuclear missiles systems in several Western European countries, the American President's announcement of a 5-year program for the buildup of military efforts and several other unilateral U.S. actions permeated with the cold war spirit, political irrationality and contempt for the fundamental long-range interests of peace, international detente and the constructive development of Soviet-American relations. Using as an excuse recent events in Southwest Asia, connected with the legitimate struggle of the Afghan and Iranian people for their national and social liberation and against imperialist intervention in their domestic affairs, the American President tried, in his televised speech on 4 January 1980 and in his annual message to Congress on 23 January, to blame the Soviet Union for these events and announced that he would take unilateral steps in the area of Soviet-American relations, representing an actual revision of the tendency toward the normalization of international affairs that became apparent in the 1970's. These steps included the indefinite postponement of the examination of the SALT II Treaty in the Senate, economic "sanctions" against the USSR, the reduction of the economic, scientific, technical and cultural contacts and exchanges that had already been restricted by U.S. actions, and the unilateral cancellation of talks on several aspects of Soviet-U.S. relations.

The inconsistency of the American side and its desire to gain exclusive advantages and to turn back the irreversible course of history were substantiated, just as in the past, with rhetorical comments implying that the USSR with its communist ideology and policy could not be trusted. Today, however, it must be obvious to everyone that doubts--in relation to trust--apply precisely to the American side, and not only on the strength of the Americans' loss of face in their own government, but also with a view to the exceptional ease with which the head of the administration actually disavows his signature on international documents of major importance.

Attempts to influence the peaceful foreign policy line of the USSR, which is following Lenin's instructions, are futile, as the entire course of modern history testifies. We should note in passing that the alliance formed by the American foreign policy "acrobats" with the present Beijing leadership on an openly anti-Soviet basis is not only unlikely to improve the political position of the United States in today's quickly changing world, but will seriously threaten the cause of peace and the national security of all people, including the Americans. There is no question that the Soviet Union will defend its own legal interests and the interests of its allies and friends.

As a TASS release of 7 January 1980 stated, the Soviet leaders would like to believe that a sober and farsighted approach to Soviet-American relations, including peace-keeping efforts, will ultimately prevail in the United States. As for the position of the USSR, it has always been marked, and will always be marked, by principled fidelity to Lenin's ideas, with no possibility of any temporary vacillation. "The Soviet people and our friends abroad can be certain that the Leninist foreign policy line is invincible,"[26] L. I. Brezhnev stressed in response to the questions of a PRAVDA correspondent.

> "A giant of scientific thought and a genuine leader of the people, a fiery revolutionary and the founder of the Communist Party and the world's first socialist state, Lenin devoted his entire brilliant and heroic life to a great and noble cause--struggle for the social liberation of the proletariat and all oppressed masses and for the happiness of the laboring public"--from the decree of the CPSU Central Committee on the 110th anniversary of Vladimir Il'ich Lenin's birth.

FOOTNOTES

1. PRAVDA, 16 December 1979.

2. V. I. Lenin, "Poln. sobr. soch" [Complete Collected Works], vol 42, p 107.

3. "Vladimir Il'ich himself never set forth the entire foreign policy of the Soviet Republic in the form of a systematically elaborated plan. Its harmony and integrity were in his head. He set forth his views

on this matter in countless specific instances," G. V. Chicherin recalls (G. V. Chicherin, "Lenin i vneshnyaya politika" [Lenin and Foreign Policy], p 259).

4. V. I. Lenin, Op. cit, vol 21, p 223.

5. Ibid., vol 45, p 123.

6. Ibid., vol 2, pp 539-540.

7. K. Marx and F. Engels, "Works," vol 12, p 735.

8. V. I. Lenin, Op. cit, vol 30, p 93.

9. For example, the frequent zigzags in U.S. foreign policy, which considerably complicate the management of affairs in the United States, are largely due to temporary domestic political maneuvers, and some of the internal processes taking place in American society impede and restrict the foreign policy ambitions of the ruling elite. Today, however, now that global interdependence has become dramatically more pronounced in world economics and politics, the external conditions of the internal development of nations and peoples are of particular significance. These include, for example, the problem of establishing a favorable international climate to promote successful socialist construction, the struggle of the working class in the capitalist countries for socialist liberation, and efforts to overcome the centuries-old backwardness in the developing countries.

10. V. I. Lenin, Op. cit., vol 42, p 59.

11. Ibid., p 75.

12. K. Marx and F. Engels, Op. cit., vol 2, p 539.

13. Lenin attached great significance to the last of these considerations and associated it with the effects of the general laws governing the spiritual process: "The spiritual life of mankind will be internationalized even more under capitalism. Socialism will internationalize it in full" (V. I. Lenin, Op. cit., vol 23, p 318). Lenin's statement about cooperation by the socialist countries in the sphere of ideology is of particular importance today, now that the agenda includes the exceedingly important task of coordinating ideological work under the conditions of the ongoing heated ideological struggle in the international arena and intensive bourgeois ideological campaigns against socialism.

14. V. I. Lenin, Op. cit., vol 49, pp 345, 370.

15. Although the main objects of peaceful coexistence are the socialist and capitalist countries, this principle of international relations can also apply to the developing countries taking the non-socialist path.

16. PRAVDA, 16 January 1979.

17. Ibid., 6 May 1979.

18. V. I. Lenin, Op. cit., vol 32, p 78.

19. Ibid., vol 40, p 247.

20. Ibid., vol 26, p 304.

21. PRAVDA, 26 September 1979.

22. V. I. Lenin, Op. cit., vol 44, p 408.

23. Ibid., vol 45, p 63.

24. Ibid., vol 34, p 133.

25. Ibid., vol 39, p 209.

8588
CSO: 1803

SOME ASPECTS OF THE PRESENT-DAY STRATEGY OF IMPERIALISM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 17-30

[Article by A. Z. Astapovich: "Multinationals and the International Division of Labor"]

[Text] The analysis of the export of capital and the formation of international monopolies occupies a prominent place in Lenin's theory of imperialism. "The export of capital, as a particularly characteristic phenomenon distinct from the export of commodities under non-monopolistic capitalism, is closely related to the economic and political-territorial division of the world."[1] Lenin viewed the export of capital by monopolies as the basis for the spread of international exploitation not only into the sphere of distribution, but also directly into the sphere of production, and a method of establishing economic supremacy by a few of the richest countries over the colonial periphery.

The economic dependence of the colonies was apparent above all in their subordinate role in international division of labor and in their specialization in the production of mineral and agricultural raw materials for the mother countries. In the postwar period the multinational corporations,[2] as the new form of international monopoly, internationalized virtually all stages of their activity and made extensive use of international capitalist division of labor in their own selfish interests, influencing it deeply and thoroughly. Experience has shown that the rapid development and spread of the multinationals can considerably change the existing proportions in the world capitalist economy and the foreign economic positions of individual imperialist states and give rise to new forms of economic exploitation of the young states. For this reason it is not surprising that the main points of the program for the new international economic order, set forth by the developing countries, include the demand for control over the activities of multinational corporations, over their practice of exploiting natural resources and over the so-called transmission of technology, which often boils down to the appropriation of technology.

An attempt is made in this article to reveal the relationship between the existing system of international capitalist division of labor and division of labor within the framework of the multinationals[3] and to examine the natural laws governing the development of specialization within these corporations in the production and technological fields, as well as the socioeconomic consequences of this process.

As we know, K. Marx regarded social division of labor as a constant process of the origination and "detachment" of various spheres of human activity, their separation from one another and the specialization of particular population groups in specific types of activity. He distinguished between three basic types of division of labor: general, particular and individual. "If we are referring simply to labor itself, the division of social production into its major types, such as farming, industry and so forth, can be called general (im Allgemeinen) division of labor, the division of these types of production into species and subspecies can be called particular (im Besonderen) division of labor, and division of labor within a single shop can be called individual (im Einzelnen) division of labor."[4]

During different stages of world social development, the deciding factor in the internationalization of economic life has been the first, the second or the third type of division of labor. For example, prior to the beginning of the imperialist era, international contacts were mostly made in the sphere of distribution and developed mainly through the world market, connected then primarily with the development of general and, to some extent, particular division of labor. The export of capital by the capitalist monopolies linked national economy in the production sphere as well. It served as an economic factor contributing to the unimpeded international spread of capitalist production relations. In the pre-monopolistic era, as V. I. Lenin pointed out, "the colonies were involved in commodity exchange, but not as yet in capitalist production. Imperialism changed this. Imperialism is, incidentally, the export of capital. Capitalist production was quickly transplanted to the colonies."[5]

The growth of the multinationals made the tendency toward the development of production, scientific and technical contacts within the framework of the world capitalist economy the prevailing trend. Capitalist productive forces developed to such a degree that national boundaries became confining not only for general and particular division of labor, but even the individual type. Present-day capitalism is involving both the industrial countries and the former colonies in individual division of labor by moving separate production links of the multinational corporations to these locations.

The production units of a corporation, located in different countries, become the "shops" of a single gigantic enterprise. By instituting specialization at their plants in different countries, the monopolies are internationalizing the economic development of the capitalist world, and the deciding factor in this process at the present time is individual division of labor, but within the giant monopolistic association rather than within the bounds of a separate enterprise.

As a result, the corporate and international types of division of labor, which differ in terms of socioeconomic characteristics, converge and appear to overlap. This has given rise to a fundamentally new situation in capitalism's world economic affairs.

Under capitalism, international social division of labor is "spontaneous and free division within the society as a whole, division of labor which takes the form of the production of goods for exchange"[6] and is conducted between nations and between branches and subbranches of the economies of all capitalist states. Its chief characteristics are spontaneity, the isolation of individual countries as independent producers of specific products, and the commercial nature of the separate types of production.

The basis for determining the nature of intraorganizational ties and their relationship to ties between countries is the distinction drawn by K. Marx between social and industrial (or technical) division of labor: "Despite the many similarities and connections between the division of labor within society and the division of labor within a workshop, the two types differ not only in terms of degree, but also in terms of essential purpose."[7] Therefore, K. Marx, in the first place, singled out the technical division of labor within a workshop--and this has now evolved into intracorporate division of labor--as an independent and separate type, and, in the second place, believed that it differed in terms of essence and socioeconomic nature from social division of labor.

The socioeconomic content of corporate division of labor meets Marx' criteria for division of labor within a workshop. Division of labor on an international scale within the framework of an international monopoly is no longer spontaneous and does not result from isolated, sporadic contacts between independent producers in various countries, but is the result of goal-oriented policy conducted by a single economic association of international dimensions. The specialized enterprises of this monopoly are no longer nationally isolated production units, even though they are located in different countries. Besides this, their production is losing much of its commercial nature, which is reflected in the high percentage (25-50 percent) of intracorporate shipments in the total foreign trade turnover of American multinational corporations.[8]

Although the export items delivered to the multinationals' own branches in many countries cross national boundaries, they are generally not sent through the channels of international trade in the traditional sense. The reason for this is the following. A product which becomes part of intraorganizational exchange does not change its owner, which is the multinational; this product of a specified quality and in a specified quantity is designated in advance for this consumer, or the overseas branch; the product is not sold at retail, but at so-called transfer prices, set by the corporations themselves.

All three types of division of labor can exist within the bounds of international monopolies, most of which are multisectorial corporations. But the common ownership and management of all corporate subdivisions and the technological uniformity of the majority of corporate production enterprises greatly promote the development of individual division of labor--the most promising form on the international level.

Both the intranational and international types of division of labor are accomplished primarily and mainly through the specialization of production and scientific research. The specialization of the branches and divisions of multinational corporations, located in different countries, permits these companies to have manufacturers of specific products on their staff and simultaneously combine various elements and conditions of production in accordance with national or regional considerations, the location of sources of raw materials and so forth, and to choose the most convenient (from the standpoint of the firm's interests) system for the distribution of enterprises on the global scale. Capital goes overseas to combine with the necessary manpower, scientific and technical achievements and natural resources. At the same time, production specialization within the framework of the multinationals clearly testifies to their role as the vanguard of present-day neocolonialism, striving to keep the developing countries in a subordinate position in international capitalist division of labor.

All of the multinational corporations are now involved to some extent in international specialization, although they use different types of specialization depending on their specific field of activity. For example, state-by-state specialization within the multinational framework is particularly widespread in fuel and raw material branches, where the mining for minerals, the processing of raw materials and the manufacture of the final product are conducted on the international scale. This general tendency in international intraorganizational production specialization is clearly seen, for example, in the activities of U.S. aluminum companies, which are among the largest producers of aluminum in the capitalist world.

As we can see from Table 1, the percentage accounted for by the developing countries is only high in the mining stage, and it is much lower in the processing stage. The concentration of the processing of raw materials and manufacture of the final product in the developed capitalist countries gives the multinational corporations advantages due to the presence of a large market, a developed infrastructure and a skilled labor force in these countries. Besides this, the multinationals are motivated primarily by the interest of the long-range maximization of profits and the possibility of minimizing the risk of negative consequences of socioeconomic reforms in the young states.

In general, today's multinational corporations in the extractive branches have specialized the entire production cycle: All of them produce, from raw materials extracted by them in various parts of the world, not only semimanufactured goods, but also finished commodities (pipe, cable, wire, girders, the products of organic synthesis and so forth). The manufacture of the latter, however, is virtually confined to the developed regions of the capitalist world--the main consumers of these commodities. This is also where most of the oil is refined and various subproducts are derived from it. The shipment of oil in special tankers and its pumping through pipelines are incomparably more convenient than its transport in the form of individual petroleum products.

Table 1

Distribution of Production Capacities of U.S.
Companies During Different Stages of Aluminum Production
1975, %

	Bauxite extraction		Alumina derivation		Aluminum production	
	A	B	A	B	A	B
Alcoa	31	69	72	28	94	6
Kaiser	40	60	89	11	83	17
Reynolds	16	84	86	14	97	3

A--developed capitalist countries; B--developing countries.

"Transnational Corporations and the Processing of Raw Materials: Impact on Developing Countries," UNIDO, ID/B/209, February 1978, Annex, p 7.

This kind of production specialization within the multinational corporation leads to the broader use of complex, highly mechanized and even automated equipment in all stages of the production process--from the extraction of raw materials to the manufacture of the final item. The operation of this equipment requires a small number of well trained and educated workers. In connection with this, the multinational corporations in the extractive branches only involve the manpower of the developing countries in the production process on a relatively insignificant scale.

The second type of international intraorganizational specialization--product specialization--is most completely exemplified in the activities of chemical multinationals. In this branch, product specialization is based on the comprehensive use of petrochemicals as raw materials on the international scale. In the chemical industry the possibility of establishing enterprises with a complete technological cycle in any particular country is the primary consideration. The plants of multinational corporations in the developing countries, which (the plants) are drawn into intraorganizational division of labor through product specialization, are assigned the role of manufacturers of simple products. As a rule, their manufacture is unrelated to the company's main field of production. Several of the more "dirty" production processes have also been moved to the young states. Plants for the production of the main petrochemical products (plastic, man-made fibers and so forth), on the other hand, are usually located in the developed capitalist states. This is clearly attested to by the fact that, for example, the Western European and Japanese branches of the American Union Carbide company manufacture various chemicals, plastics and molecular filters, while its enterprises in Latin America, Asia and Africa manufacture only dry batteries, graphite and carbon electrodes and film in addition to engaging in mining and metallurgy.

The third type--the component specialization of the enterprises of multinational corporations located in various states--is prevalent in the automotive industry and agricultural machine building, as well as in electrical engineering and electronics. This kind of specialization, which rests on a technological basis and on the manufacture of components and parts of the final product, most clearly illustrates the principles of global and, from the standpoint of the monopolies, optimal combination, with a view to the objective of guaranteeing the highest possible profit level for the multinational corporation as a whole. Component specialization presupposes multilateral cooperative contacts between the multinational links in different countries.

The characteristic features of the component specialization of multinational corporations are the following. The activities of overseas enterprises are based on the principles of the "optimal" distribution and utilization of resources, transportation and the sales network. This means that the elements involved in production are those that are the most convenient to use in a given country. In component specialization, the common principles of the multinationals' production distribution and their neocolonial nature are particularly distinct and pronounced. For example, the American multinationals confine the manufacture of technologically complex equipment, parts and components to their own nation or Western Europe. The main products manufactured here by American corporations require high levels of capital and scientific input. This is the part of the future finished product that requires high capital expenditures, the newest materials, the latest technology and the services of highly skilled experts and workers.

On the other hand, the assembly process, which is based on the fulfillment of labor-intensive operations, is now being moved to the developing states by American multinationals. This applies in general to the partial assembly of complex products or the final manufacture of household appliances and implements. The first category takes in electronic equipment, motor vehicles and tractors, while the second includes radios, television sets and cameras.

The question of labor-intensive technology is connected with the entire complex of socioeconomic problems in the developing countries. It is completely obvious that the nature of the technology utilized not only plays an important role in the development of production, but also has far-reaching social import. The main issue is its effect on employment, as the total number of partially or totally unemployed individuals in the liberated states is extremely high: It has been estimated at 300 million. The incorporation of labor-intensive technology appears at first to aid in the resolution of the employment problem in the young states. It is true that it is preferable to capital-intensive technology from the standpoint of the use of local labor resources. But the spread of labor-intensive production can only lighten the burden of unemployment a little. The creation of even 10 million jobs by the multinational corporations would not change the situation significantly due to the high number of unemployed.

In general, the practice of moving labor-intensive production to the young states has a negative effect on their economy. Labor-intensive processes generally presuppose the use of routine, simple technology which does not require the widespread use of machines and equipment. It keeps the developing countries from mastering new technology and progressive production methods. The labor-intensive technology used by the multinationals in a number of branches virtually excludes the possibility of a significant rise in the level of local manpower training, as it makes greater demands only with respect to speed and agility, and not the general educational background or qualifications of workers.

It should also be noted that the enterprises of multinational corporations import a high percentage of the components for their assembly operations in the developing countries. This reduces the sales market for local firms and, in this way, lowers the levels of production and employment. A study of ten branches of South Korean industry, in which multinationals play a prominent role, showed that around 78 percent of the components for assembly were imported.[9]

There are also other aspects of this problem. For example, the transfer of the labor-intensive production of multinational corporations to other countries is connected with the flow of capital out of the industrial capitalist states, which is causing them to also suffer a rise in unemployment figures. In connection with this, several labor unions, primarily American, are energetically fighting for the restriction of technology exports, are objecting to the multinationals' "desertion" of the United States in search of cheap labor, and are advocating stronger protectionist tendencies in relations with the developing world.

The production expansion of today's international monopolies, accompanied by their vigorous scientific and technical activity abroad, has had largely the same effect. A characteristic feature of the present stage of their development is intraorganizational division of labor in the sphere of research and development and scientific and technical specialization. This process is due to the monopolies' desire to enhance their competitive ability and take firm hold of the leading positions in the capitalist world. The intraorganizational division of labor and scientific and technical specialization of the multinationals' branches are enhancing the effectiveness of their research and engineering and accelerating the incorporation of technical innovations in affiliate enterprises in different countries.

The problem of the effectiveness of research and development is now of particular importance to the monopolies. This is due to the increased interaction of science and physical production and the change in science's role in the development of productive forces. On the one hand, the latest scientific and technical discoveries (new means of communication and of collecting, storing and transmitting data, and electronic computers) have aided in the development of better methods for the management and organization of the activities of the modern large corporation. This has expanded the boundaries and spheres of the activity of private monopolistic associations and has optimized their structure, internal communications and the dimensions of production units.

On the other hand, research and development are stimulated by production itself, which makes greater demands on science from the standpoint of developing the latest materials, types of fuel, technology and various equipment. For the international monopolies, the development of science and technology is connected more and more with division of labor, with the specialization of their branches in specific operations within the total system of research and engineering. It is indicative, however, that this process has affected mainly the developed capitalist countries. Enterprises in the developing states have been virtually untouched by the scientific and technical advances in the activity of multinationals.

The more important role of overseas branches in scientific research and the progressive division of labor in this sphere of their activity are attested to by the following facts. Firstly, the branches conduct all types of research and experimental design operations. Moreover, the proportion accounted for by fundamental (theoretical) research in total research and development is 1.4 percent on the average in these countries and is not much lower than the indicator in the main firms--1.9 percent.[10] Secondly, there has been a tendency toward an increase in the proportional expenditures of the branches on research and development in the total expenditures of multinationals for this purpose--from 4.5 percent in 1966 to 7.3 percent in 1972. In addition, it should be taken into account that the U.S. Government is financing part of the scientific expenditures only in the main firms, while the branches receive no more than 2 percent of their total research expenditures from the governments of their "host" countries. And if we consider only the company's own funds--this would seem to be the most valid methodological approach--the proportion accounted for by overseas enterprises and laboratories was 12.6 percent in 1972.[11] Thirdly, there has been a reciprocal exchange of technological achievements between the companies and their branches, although the reciprocal currents have not been equal. In 1972, for example, the multinationals provided their branches with research results valued at 837 million dollars and received 125 million dollars' worth from them.[12]

Research and development are conducted by overseas production departments and branches, as well as laboratories and scientific centers established expressly for this purpose abroad, primarily in Western Europe. In recent years all of them have moved from work aimed at the improvement of the individual consumer characteristics of goods and technical services to specialization in the development of new product models. For example, the Ford Company coordinated the activities of three of its centers in England and the FRG for the purpose of standardizing individual parts and components, improving their quality and--and this was the main objective--excluding the possibility of duplication in the development of new products.

As international intraorganizational division of labor in the research and development sphere becomes more intensive, overseas branches evolved into scientific production complexes. They operate in accordance with the global economic strategy of the multinational, determining the general guidelines of their scientific and technical policy and the functions and duties of individual subdivisions in a centralized manner in this branch of activity of major importance to the corporation.

Just as in production, where the activities of the enterprises of American multinationals in the United States and overseas are closely related and cooperative, coordination in the scientific and technical sphere has reached a fairly high level in several corporations. Enterprises, laboratories, offices and scientific centers abroad, again primarily in Western Europe, operate in service not only to local production units of the multinational, but also the entire corporation. The scientific and technological achievements of the branches are largely the result of intraorganizational division of labor on the international scale.

A higher level of division of labor in the sphere of research and development is reflected by specialization within the companies of the electronic industry. They produce perhaps the most important products for today's monopolies (means of communication and computers of various categories), without which it would now be virtually impossible to manage the international activities of companies. For example, International Business Machines (IBM), which controls around 60 percent of the world capitalist computer market, has two scientific centers in the United States and one in Switzerland, as well as nine laboratories in eight countries, each with a staff of 500-800 scientists and specialists. The development and incorporation of new computer models and technology are conducted by all branches according to a standard program. For example, the laboratory in Paris is working on the development of integral circuits, laboratories in Amsterdam, Stockholm and Wimerkeit (FRG) are developing power packs and auxiliarly equipment, and the lab in Greenock (England) is working on a memory bank for one computer model. Some models, however, are worked on only in the United States, particularly during the first stages of their development. All major decisions on the scientific and technical policy of IBM are made in its scientific center in the United States. It has constant cable communications with Paris and, through Paris, with all overseas laboratories.

The experience of IBM clearly attests to an important peculiarity of the development of the international monopolies' scientific and technical activity. It proves that international division of labor in the sphere of research and development is an essential stage in the evolution of these monopolies, objectively determined by the need to develop and incorporate the latest equipment and technology at a time of technological revolution. "Prior to 1961 IBM used its overseas laboratories to maintain its position in local markets," writes E. Mansfield, prominent American expert on technological progress. "After discovering the difficulty of making optimal use of these laboratories due to this limitation of their purpose, however, the firm decided to include the European laboratories in its global developmental program when its 360 system was introduced. When the system was being developed in six base companies, each laboratory, whether American or European, performed specific tasks."[13] The same principles lay at the basis of the development of the corporation's next generation of computers, which are being manufactured at the present time.

The experience of other companies also indicates that this tendency is becoming stronger. For example, Honeywell put a new line in operation for the manufacture of five computer models. The work on two of the models was performed by branches in France and Italy. The "64" model was jointly developed by the American and French laboratories, and the programming devices were jointly engineered by the corporation's American and English enterprises. The work was coordinated from the United States.[14] The Eastman Kodak Company enlisted the services of 1,000 specialists in Western Europe and the United States to develop a new highly sensitive film. A special emulsion developed by the English Kodak laboratory was used in the project and quality control experiments were conducted by the laboratory in France.

The practice of the international monopolies clearly indicates a move to a higher level of internationalization in the scientific sphere in the capitalist world. It should be noted, however, that this tendency is only seen within the limited bounds of individual corporations. This gives rise to a question: What is the relationship between the specialization of the international monopolies in the sphere of research and engineering and the development of research in the host countries--both capitalist developed nations and developing states?

Recent events have shown that the research activity of these monopolies is giving rise to a new kind of "brain drain" in the capitalist world. In the past, scientists and engineers were urged to go overseas, primarily from Western Europe to the United States. Although this is still an important means of monopolizing scientific and technical achievements, it is nonetheless indirect. The acquisition of patents and licenses for the latest discoveries and inventions also affords limited possibilities in this respect. For this reason, the multinationals have now begun to institute scientific and technical specialization within their subdivisions with a view to acquiring direct access to the sources of the latest achievements in other countries. "One of the reasons for our success," Chairman J. Jones of the IBM World Trade board of directors frankly admitted, "is highly integrated effort in the field of research and development in the multinational context. We have been successful in absorbing foreign technology and talent through our laboratories outside the United States. As a result, we are the recipients of many new ideas from all parts of the world."[15]

The multinationals use different methods to organize the "brain drain" during the course of their scientific and technical specialization. The most widespread method is the recruitment of the best university and institute graduates in the countries where laboratories are located (less than 6 percent of the persons employed in the sphere of research and development in overseas branches of American companies are from the United States).[16] This means that many states are training scientists not for their national economy, but for foreign corporations.

The transfer of scientific knowledge is also accomplished through cooperation between the multinationals and local university scientific centers and research institutes. For example, the IBM laboratory in West Germany is working with the oncological center at Heidelberg University to develop cancer detection and diagnostic equipment.[17] The Hewlett Packard laboratory in the FRG is working on acoustical equipment with a view to the more advanced state of theoretical work with acoustics in Western Europe than in the United States. Just as in the past, when relay generators were developed, this work is being performed in close cooperation with the University of Stuttgart. It is here that some of the engineers of the West German branch of this company were trained. Many devices were also developed by graduates of the University of Edinburgh with the aid of its technical facilities.[18]

Cooperation with research centers abroad allows the international monopolies to not only absorb knowledge and talent, but also to use financial resources in the host countries. This is accomplished through the participation of affiliate firms in projects funded by the government, the use of government contacts to gain access to the resources of local universities and research organizations, and so forth.

The development and incorporation of many large-scale scientific and technical designs can now be conducted and produce an economic impact only under the condition of international division of labor. For this reason, when the multinational corporation sets up its own scientific centers and laboratories abroad, recruits highly skilled foreign engineers and scientists and uses the financial and research resources of universities in various countries, it is trying to overcome the limited national basis for the combination of science with production.

At the same time, it is striking that, with few exceptions, the international monopolies' scientific subdivisions are located in the developed capitalist nations. The proportion accounted for by the developing countries in the total research and development expenditures of American multinationals is extremely low, although it did rise from 1.8 percent in 1966 to 3.5 percent in 1975.[19] This fact, naturally, is not a coincidence: It is "inconvenient" for the monopolies to conduct research work in countries with a total or almost total lack of scientific personnel and research and design establishments.

For the liberated states, the consequences of this policy are severe, since their dependence and their underdevelopment in comparison to the imperialist countries in the sphere of science and technology are already most apparent. In view of this, it must be said that the spread of scientific and technical information is of decisive significance for these states, affording a chance not only of adapting to their conditions, but also of overcoming their industrial underdevelopment. But the international monopolies offer technology on rigid terms, and in most cases it is either extremely outdated or too complex to meet the needs of the young states. The system of division of labor in the multinational corporations and their refusal to conduct research and engineering on any kind of broad scale in the developing countries are considerably reducing the potential of the latter in the training of scientific personnel and the development of the necessary machines, equipment and technology.

Bourgeois science depicts division of labor within the framework of the international monopolies as a new stage in the development of the existing system of international capitalist division of labor, a stage in which conflicts and disparities between different parts of the world capitalist economy will gradually disappear (the sharp differences in levels of economic, scientific and technical development, the subordinate position of the former colonial periphery and the merciless exploitation of the natural resources of developing countries). The degree of planning that is characteristic of this new stage is supposedly promoting the establishment of a new system of division of labor and world economic ties in the interests of all nations, and the "global optimal combination" within the framework of these monopolies is supposedly the prototype of the future world economic organization. But these statements by the defenders of the multinationals are deceptive, just as the bourgeois and reformist "impression" that the growth of the monopolies would put an end to the crises and conflicts of capitalism was deceptive and groundless.

Intraorganizational division of labor and specialization between various subdivisions of international monopolies, both in the sphere of production and in the sphere of research and development, can only be called international in scale. In fact, they signify a tendency toward a combination of production with the latest scientific achievements which will be restricted to the narrow bounds of the existing supermonopolies and will be contrary to the interests of some countries.

In view of the fact that division of labor within the multinationals differs in principle from other types, which was discussed above, the present process is not so much the intensification, but mainly the deformation, of capitalist international division of labor by today's supermonopolies. They are developing strong and permanent ties only between individual sectors of the economy, enterprises and scientific establishments in various countries on the basis of their specialization and cooperation. But after all, certain parts of these sectors are no longer simply links of a particular national economy, but are simultaneously components of another economic organism--the international monopoly. The operation of its plants with a partial production cycle depends on the head companies in a few capitalist states, especially the United States, while the nations in which these "auxiliary" enterprises are located fall into a certain degree of economic dependence on the policies of international monopolies. Therefore, division of labor within this framework exists parallel to international, or, more precisely, inter-country, and multinational division of labor and represents a different system, one which disrupts the original system.

Another important fact must be taken into account here. The international monopolies are gaining an increasing share of world capitalist trade and the export of capital and technological achievements. They control the extraction and processing of most fuel and raw material resources. For this reason, it can be said that capitalist international division of labor is not only being deformed in the interests of these monopolies, but its further development will depend on them. Division of labor within the framework of large capitalist enterprises (technical) is evolving into social division of labor on the international scale.

The disruption of the existing system of international capitalist division of labor by the multinational corporations and the transfer of several production units from one part of the world to another are affecting the developing states as well as the developed nations in the West. The depth, scales and nature of this effect differ, but there is no question that the consequences of the reconstruction of intraorganizational division of labor are being experienced most by the young states. The monopolies are only developing specific branches here, branches necessary to them, while the national economies of these states, particularly industry, are underdeveloped on the whole--or, more precisely, developed only to the degree necessary for their "main" branches.

The exploitation of the natural resources of developing countries by the supermonopolies is sharply restricting their potential for industrial development through the use of their own resources. As we have seen, the activities of monopolies presuppose the choice of the most preferable, from the monopoly's vantage point, place for locating each stage of production. The share of the young states in individual stages of the extraction and processing of raw materials naturally does not coincide with the share of the international monopolies, as the national enterprises of multinational corporations occupy a prominent position in the extractive branches. But the multinationals are having a substantial effect on conditions in the liberated countries due to their deciding role in the processing of raw materials.[20]

Table 2

Percentage Accounted for by Developing Countries in Raw Material Production in the Capitalist World (Early 1970's)

	Steel	Copper	Aluminum	Oil
Ore extraction (fuel production)	34	46	59	62
Smelting	5	40	30*	—
Processing (refining)	10	23	7	24
Sales	9	5	6	21

---

* Production of alumina.

"Transnational Corporations and the Processing of Raw Materials," Annex, pp 8, 13.

As we can see from Table 2, the proportion accounted for by the liberated states in regard to the basic types of raw materials and fuel declines as it progresses toward the stages of processing and sales. In recent years, they have pressured the transnational corporations of all imperialist states to expand the processing of raw materials in the location of their extraction (for example, the production of refined as well as blister copper). This tendency, however, is still weak, and the main principle of multinational activity, which perpetuates the inferior and subordinate position of the liberated states in international capitalist division of labor, is still the same: The finished product is manufactured and sold in the developed countries—its main consumers.

The division of labor imposed by the monopolies is also having a negative effect on the position of the developing countries in the processing industry. It is precisely with the multinational corporations that imperialist powers associate the possibility of moving "dirty" and labor-intensive branches to Asia, Africa and Latin America with a view to receiving the necessary products of metallurgy and chemistry from these continents.

Enterprises manufacturing items requiring substantial labor expenditures are engaged primarily in the assembly or manufacture of simple products. This function determines their subordinate role in the technological cycle, which is totally controlled by the multinational corporations. As a result, despite the fact that some elements of the processing industry are located in the liberated states, their inferior status in international capitalist division of labor is not undergoing any fundamental change.

The adaptation of the developing countries to the conditions and requirements of modern industrial production is taking on forms that are unacceptable to them and are often simply distorted. The imperialist monopolies are moving individual shops and production subdivisions to these countries for the purpose of exporting cheap commodities, mainly intermediate items, from these countries to the West. This kind of export is replacing direct foreign trade by the host countries. It is no coincidence that the share of the multinationals in the exports of the developing states is so high (reaching 40 percent).

When the monopolies of the United States, Western Europe and Japan locate their production units here, they guarantee themselves a labor force with a level of training that is adequate for their purposes but, on the whole, low. As a result, the development of the worker, even one employed in such progressive branches of industry as electronics, electrical engineering, computer technology and the automotive industry, does not go through the sequential stages characteristic of the developed capitalist nations.

The international monopolies are appropriating huge quantities of natural and material resources from the liberated countries for their own needs. Describing the consequences of their behavior, the UN Industrial Development Organization (UNIDO) noted that industrial growth in the former colonies and semicolonies was actually "not the industrialization of the developing countries, but the profitable use of their territory by foreign companies."[21] These processes are even more visible and tangible in the sphere of science and technology.

The transfer of ecological harmful, power-intensive and labor-intensive production units to these countries is the main component of imperialism's reorganization of the present system of international division of labor through the multinatintional corporations. But this reorganization is not aimed at improving the status of the young states in the world capitalist economy, but at turning them into the agrarian raw material and industrial raw material appendages of the imperialist powers and monopolies.

This transfer of labor-itensive production units is helping to "eradicate" the worker professions that do not require highly skilled labor from the structure of the working class in the United States and other developed capitalist states. The activities of the monopolies are reserving the imperialist countries the prerogative of developing and being the first to use scientific and technical innovations and are leading to their specialization in the manufacture of progressive commodities requiring high scientific input. The developing states, on the other hand, despite the opportunity they have been given to manufacture some finished products in addition to raw materials, cannot eradicate their dependence on the West for deliveries of machines, equipment and production technology or their scientific and technical backwardness under these "new" conditions.

Division of labor within the framework of the international monopolies is affecting the economic interests of many capitalist countries, particularly the developing states. It is now more likely to determine the direction and nature of the world economic ties of these countries and their place and role in the system of international economic relations as a whole.

This also affects the factors with which the economic development of any country is now closely connected. In essence, division of labor within the multinational framework is an effective means of mobilizing the natural, material and human resources of the capitalist world in the interest of a small group of individuals--the monopolists and large property owners. This intraorganizational division of labor is constructed without any consideration for national interests or the requirements of economic growth in individual countries. It is hampering the all-round development of productive forces, the democratization of international trade and economic relations and the observance of the principles of equality and mutual benefit.

This is why the progress in the reorganization of international economic relations, which became apparent in the mid-1970's, would have been unthinkable without a vigorous struggle against the monopoly-imposed system of division of labor. The need for the progressive, democratic reorganization of international economic relations and the establishment of the new world economic order was underscored in B. N. Ponomarev's speech at an international theoretical conference in Moscow in May 1979: "Our efforts must be aimed primarily at defeating the imperialist strategy connected with the activities and predatory interests of multinational corporations. These demands are actively supported by the Soviet Union and the entire socialist community, and they are being fought for by the international communist and liberation movement."[22] Progressive forces in the world are advocating the establishment of more favorable conditions for the use of international division of labor in the interests of all countries and all mankind.

> "Lenin and the Bolshevik Party were assigned the great mission of preparing for and leading the first victorious socialist revolution in history and of combining the theory of scientific socialism with the broadest activity by the popular masses"--from the decree of the CPSU Central Committee on the 110th Anniversary of Vladimir Il'ich Lenin's Birth"

FOOTNOTES

1. V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 30, p 164.

2. American multinationals hold the lead among international monopolies in general and multinational corporations in particular. For example, more than half of all international monopolies with a sales volume exceeding 1 billion dollars represent U.S. business.

3. Some aspects of this problem have already been discussed in Soviet economic literature. See, for example, the article by Yu. Shishkov,

"New Symptoms of the Basic Contradiction of Capitalism," in issue No 5 of the journal MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA for 1971; I. D. Ivanov, "Mezhdunarodnyye korporatsii v mirovoy ekonomike" [International Corporations in the World Economy], Moscow, 1976.

4. K. Marx and F. Engels, "Works," vol 23, p 363.

5. V. I. Lenin, Op. cit., vol 30, p 35.

6. K. Marx and F. Engels, Op. cit., vol 46, pt II, p 450.

7. Ibid., vol 23, pp 366-367.

8. This fact has been examined in Soviet economic literature. See P. I. Khvoynik, "Mezhdunarodnaya kapitalisticheskaya torgovlya" [International Capitalist Trade], Moscow, 1977, pp 172-175; I. D. Ivanov, Op. cit., p 39; A. Z. Astapovich, "Mezhdunarodnyye korporatsii SShA: tendentsii i protivorechiya razvitiya" [The International Corporations of the United States: Developmental Tendencies and Conflicts], Moscow, 1978, pp 38-39.

9. "The International Division of Labor and Multinational Companies," ECSIM, 1979, p 30.

10. D. Creamer, "Overseas Research and Development by United States Multinationals. 1966-1975," The Conference Board, N.Y., 1976, p 59.

11. Ibid., p 35.

12. Ibid., p 89.

13. "Economic Analysis and the Multinational Enterprise," Ed. by J. Dunning, L. Allen and G. Unwin, London, 1974, p 24.

14. THE COLUMBIA JOURNAL OF WORLD BUSINESS, Winter 1977, p 28.

15. "Multinational Corporations," Hearings, Wash., 1973, p 249.

16. THE AMERICAN JOURNAL OF ECONOMICS AND SOCIOLOGY, No 3, July 1976, p 234.

17. "Global Companies. The Political Economy of World Business," Englewood Cliffs, 1975, p 18.

18. G. Leroy, "Multinational Product Strategy," N.Y., 1976, p 84.

19. D. Creamer, Op. cit., p 39.

20. For example, by 1975, as a result of nationalization acts in these countries, the share of the eight largest Western companies in copper

mining had dropped to 20 percent (as compared to 57 percent in 1970), but the share in refining was 45 percent. Even in the petroleum industry, where nationalization was most widespread in the 1970's, only the share of the "seven sisters" decreased, while the share of other companies grew. As a result, in 1975 the "seven" extracted 30 percent of all oil in the capitalist world as compared to their 82 percent in 1963. But these same companies controlled 47 percent of all refining and 45 percent of sales. while the other companies of the imperialist countries controlled 29 percent and 34 percent respectively. "Transnational Corporations and the Processing...," p 56; Annex, pp 5, 8.

21. UNIDO, Doc. ID/conf. 3/1314, 2 December 1975, p 10.

22. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 6, 1979, p 21.

8588
CSO: 1803

LENIN'S POLICY ON IRAN AND THE INTRIGUES OF IMPERIALISM (FROM THE HISTORY OF AMERICAN EXPANSION IN IRAN)

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 31-42

[Article by I. A. Yusupov]

[Text] The 1920's were a remarkable period in the history of Iran, that ancient Eastern country whose people--under the influence of the Great October Revolution in Russia--rose up in a national liberation struggle. From the earliest years of its existence the Soviet State, led by V. I. Lenin, declared its renunciation of all tsarist Russia's claims on Iran's territory and sovereignty. The Leninist principles of socialist foreign policy were reflected in the Soviet-Iranian treaty concluded on 26 February 1921.

V. I. Lenin attached great significance to the speediest signing of this treaty, which laid the foundations and groundwork for friendly, peaceful and equal relations with Iran. Thus, on 7 December 1920, with V. I. Lenin's personal participation, a plenum of the Russian Communist Party (Bolsheviks) Central Committee discussed the question of the "principles of a treaty with Persia."[1] (Iran was called Persia until 12 March 1935--I. Yu.) On 10 December V. I. Lenin received the Iranian delegation to the Soviet-Iranian talks. On 22 December 1920, delivering a report at the Eighth All-Russian Congress of Soviets, V. I. Lenin said: "I must also note, Comrades, that this year our policy has secured major successes in the East.... We can also welcome the forthcoming signing of a treaty with Persia, with whom friendly relations are insured by virtue of the coincidence of the vital interests of all people suffering from imperialist oppression."[2] V. I. Lenin continued to play a most active part in the examination of "Persian affairs" and gave his advice and instructions.

The 1921 Soviet-Iranian treaty was the first equal, just treaty with a great power in Iran's history. It was based on the principles of peaceful coexistence and cooperation. The treaty abrogated all agreements between tsarism and Persia and third countries affecting the Iranian people's sovereign interests, restored all the concessions obtained by the tsarist government on Iranian territory and so forth. The Soviet Government handed over to the Iranian people major assets worth 65 million rubles in gold.[3] The treaty, which gave Iran great political and economic benefits, insured independent development and defense against encroachments by imperialist states on its integrity and sovereignty.

American imperialism was particularly zealous in its longing for Iran's wealth and had long since attempted to penetrate Iran's economy and establish domination there.

A study of the early stages of American imperialism's expansion in Iran reveals the neocolonialist essence of the contemporary policy of the United States, whose billionaires, as V. I. Lenin noted, "opened a particularly tragic chapter in the bloody history of bloody imperialism,"[4] and displays the age-old link between American capital and Iran's former rulers, the Pahlavi family, who seized power in Iran with its help.

The United States sent its first scouts to Iran as early as the 1830's, in the guise of missionaries. Since that time its interest in Iran had not died down. That attention was stepped up in the early 20th century, when rich oil deposits were discovered in Iran. In May 1911 the financial mission of Morgan Shuster, who was closely associated with U.S. monopoly circles, arrived in Iran. The mission had far-reaching plans for turning Iran into a U.S. protectorate.[5] However, the American imperialists' intentions were not realized; Britain and tsarist Russia stood in the way.

Taking advantage of the fact that British imperialism's positions were significantly undermined as a result of the Iranian people's national liberation movement, launched under the influence of the October Revolution in Russia, and of the Soviet Republic's renunciation of the tsarist annexationist policy, the American imperialists made a new attempt to enslave Iran. They chose the 1919 Paris Peace Conference as the instrument of implementation of their imperialist plans. But this time too, the efforts to subjugate Iran did not culminate in success. British diplomacy, more experienced and skilled in political maneuvers, managed to organize a rebuff for U.S. plans.

American imperialist again tried to establish its domination in Iran when the Soviet Government, acting in accordance with the Soviet-Iranian treaty of 1921, obtained the withdrawal of British troops from Iran. Washington considered this a convenient moment for taking the place of the British colonialists. To this end the United States sent to Iran an experienced dabbler in politics, agent of monopoly capital and State Department oil specialist, Arthur Millspaugh. He was the typical traveling salesman for imperialism, fanatically devoting his whose life to it. For a long time Millspaugh was the American monopolies' "knight" which they brought into play every time Washington needed to make the next move in Iran, and not only in that country. He was the agent of America's masters and was closely connected with U.S. oil circles, particularly with the Standard Oil Company.

On its instructions, as early as December 1920, when he was the chief of the State Department's oil division, Millspaugh had a talk with the Persian ambassador to the United States on possible investments of American capital in the country's northern provinces,[6] which are particularly rich in oil.

However, to the former U.S. interest in Iran as an important source of raw materials, mainly oil, as a market and as a sphere of application of capital, there was now added the desire to use the country as a bridgehead for armed intervention against Soviet Russia. "In view of the fact that the American people (read: the American imperialists--I. Yu.) have vital interests in the utilization of Persia's natural resources, I venture to suggest that the present moment (the withdrawal of the British troops--I. Yu.) offers an excellent opportunity to implement this interest,"[7] Caldwell, the American ambassador to Iran, writes in a report to the State Department on 6 January 1921. He goes on to express the confidence that by sending in "experienced American officers" it would be possible to seize high command posts in the army, which "could prevent local disturbances"--that is, to put it simply, the American imperialists hoped to suppress the national liberation movement in Iran by means of a strong army.

Subsequent events in Iran gave rise to substantial amendments to the plan elaborated by the United States. In February 1921, Iranian reaction and the British imperialists organized a coup. One of the leaders of the coup, Reza Khan, commander of a Cossack brigade, became minister of war and energetically set about reorganizing and reequipping the army, which he used as an instrument for suppressing the national democratic movement in Iran. The United States had been deprived of its "pretext" for sending in the military to seize control in Iran. That role was taken on by a mission headed by A. Millspaugh.

The mercenary ruling circles in Iran, in the hope of filling their pockets, willingly moved toward a deal with American imperialism, which had grown fat on World War I. In the situation where the national liberation movement in the country was expanding and the U.S. role in the capitalist world was increasing, they gambled increasingly on Washington, which acted as the defender and custodian of the "firm principles" of private ownership. The comprador strata of the Iranian bourgeoisie, who were trying to step up trade with the American monopolies, also had a substantial interest in the Americans' coming to Iran.

The Iranian Government appointed Mirza Hossein Khan Ala, its former ambassador to Madrid and later to Washington, as intermediary in talks with the U.S. Government on "inviting" a financial mission. Wheeler, an adviser at the American Embassy in Britain, reported to the State Department that Hossein Ala visited him on the morning of 26 June 1921 and talked with him on the possibility of the United States granting Iran a loan of 100 million dollars. The Iranian Government guaranteed this loan with northern oil revenues, and it agreed to receive an American financial mission in Iran as a "moral guarantee."[8]

In connection with the departure of British financial adviser Smith from Iran, Engert, the U.S. charge d'affaires in Iran, reported to the State Department that Ahmad Shah had told him that the Americans could take his place.[9] It should be noted that the British supported the idea of sending an American financial mission to Iran, hoping thereby to maintain their dominant position in that country. Point 5 of a memorandum sent to the U.S. State Department by the British Foreign Office on 1 March 1922 says: "His Majesty's government, having tried without success to help Persia improve its internal administration and introduce new financial methods, is prepared to extend friendly assistance to the U.S. Government.... His Majesty's government will give American representatives complete diplomatic support in Tehran in the hope that by means of joint actions by the British and U.S. governments and through the friendly exchange of opinions between them a real improvement will be established in Persia's internal administration."[10]

On 14 August 1922 in Washington, Iranian Ambassador Hossein Ali signed a contract on A. Millspaugh's rights and powers as main administrator of all finance in Iran.[11] He received powers to draw up the state budget, reorganize the Finance Ministry apparatus and associated institutions, attract foreign capital to Iran and grant trade and industrial concessions to foreigners, seek additional sources of income, give written permission (!) to the Iranian Government for the conduct of financial operations, make use of all state documentation and so forth.[12]

These extensive powers, received by a U.S. representative, opened up the opportunity to virtually control Iran's economy, policy and finances. In his book, which he wrote while he was in Iran, A. Millspaugh stressed that "the presence of Americans and American capital in Persia will help create conditions in which the open door principle will be transformed into a reality."[13] In other words, with the help of imperialism's tried and tested weapon, the "open door" policy, the United States was carrying out the enslavement of Iran.

The ruinous effect on Iran of this control by a foreign state's agent was recognized from the beginning by progressive representatives of Iranian society, as reflected in the press. Thus the newspaper VATAN for 3 November 1921 voices a protest against the invitation of foreign advisers: "Inviting advisers in incomprehensible and in no way justifiable.... After all, there is no need for foreign advisers to exact taxes and carry out expenditure on the state accounts; surely we do not want to testify to our complete inability to even spend money.... Inviting foreign advisers is an admission of our own inability, and no benefits can come from them."

Nonetheless, in November 1922 the American financial mission headed by Millspaugh arrived in Iran. The duties of the mission's members were distributed in the following way: A. Millspaugh--chief administrator of finances; Colonel D. McCormick--director of internal revenue; C. McCaskey--chief treasurer; H. Reber--director of the Central Accounting Administration; Captain T. Pearson--director of the Civil Service Administration;

E. Haskell--expert on questions of agriculture and public estates; A. Morris--chief of the highways administration; A. Morgan--executive secretary. The mission also included financial administrators for the provinces--Iranian Azerbayjan (G. Davis), Kermanshah (D. Dunaway), Fars (Major M. Hall), Kerman (R. Fitzsimmons), Khuzestan (G. Homan), Gilan (R. Boneville), Khorasan (D. Loomis) and Tehran (G. Coleman).[14]

Later, the U.S. Government sent more advisers to Iran. Soon the total reached 30.

From the very start of his activity in Iran, Millspaugh established close contact with the ruling monarchist and bourgeois landowning circles and had his own men in the Majlis, where, on his own admission, there was a "group of deputies exclusively devoted to the ideas which lay at the basis of the American mission's presence in Persia."[15] Millspaugh established particularly close relations with the ambitious, power-hungry nationalist leader, Reza Khan, who subsequently took the throne and founded the Pahlavi dynasty, and for whom the establishment of personal dictatorship by any means was justifiable. The father of the future Shah Mohammad Reza Pahlavi received lavish support from imperialism in his struggle for power. However, being an adroit and prudent politician, without a twinge of conscience he rapidly changed his imperialist patrons as political circumstances changed. First it was the British, and then the Americans, and later the German Nazis.[16]

Millspaugh's attitude toward Reza Khan was determined by the aims of his mission. He immediately assessed Reza Khan's role in Iran's political life and associated plans for the establishment of American domination in the country with the consolidation of the future shah's power. The support for Reza Khan's dictatorial aspirations on the part of the American agent, backed by American imperialist circles, is explained by the fact that, under the conditions of the complete collapse of the power of Ahmad Shah Qajar, who linked his fate with Britain's bankrupt policy, Reza Khan directed his efforts toward the defeat of the national liberation movement in Iran and the establishment in the country of a tough despotic regime relying on the imperialist West. Reza Khan occupied extremely reactionary positions and expressed the interests of the extremist military leaders and the exploitative bourgeois landowning bloc which dominated the country. Thus, typical features of that bloc's domestic policy were the struggle against the democratic movement and a further attack on the vital interests of the working class and other working strata of the population and on progressive forces calling for the strengthening of friendly relations with the Soviet Union. Imperialism's class solidary with his bloc, despite the differences which existed, served as a basis for Millspaugh's cooperation with Reza Khan.

Thus Washington found in Reza Khan a political figure whose power could be strengthened as a condition of ensuring U.S. imperialist interests in Iran. Hence the American mission's great support for Reza Khan's dictatorial claims and the use of all economic and political levers to "push" the dictator onto the throne.

The Millspaugh mission's activity took place in two directions: the penetration of Iran's economy and interference in its political affairs.

Drawing up Iran's state budget was one of the main duties of the American financial mission, according to the contract. Millspaugh, in particular, sought to prove that the country's economic prosperity lay in ensuring that the income section of the budget prevailed over expenditure.

As is clear from Millspaugh's quarterly accounts, the income section of the budget increased steadily and by fiscal year 1927/1928 (the last year of the mission's presence in Iran), it was nearly twice the sum of the initial budget drawn up by the American advisers. The increase in income was mainly due to increases in direct and indirect taxation. The American financial mission increased mainly indirect taxation from year to year. As compared with the prewar year 1913/1914 direct taxation increased 37 percent by 1924/1925 and indirect taxation increased 340 percent.[17] In subsequent years the increase in these indicators was even more significant. Indirect taxation, which consisted for the most part of taxes on consumer goods, was a heavy burden on the shoulders of the Iranian people, causing their material situation to deteriorate further and further.

The most striking feature of the expenditure side of the budget during these years is the vast sum allocated to the War Ministry, headed by Reza Khan. The American advisers, deliberately undermining Iran's economic and kindling war hysteria in the country, allocated about 45 percent of the budget for military purposes, while Iran's agriculture and cottage industry were on the verge of collapse. It was a case of giving concrete assistance to the War Ministry of Reza Khan, who, in the struggle for power, was strengthening the army with a view to using it to seize the shah's throne. Appropriations for the people's education totaled less than 3 percent of the budget, and before 1924/1925 such a miserly sum was allowed for health care (0.2 percent) that it was not even published; in the 1924/1925 budget, under the heading "health care," there appears the figure 778,562 krans (less than 0.3 percent of state expenditure). Yet the sum allocated for the American advisers' maintenance in the same year was 924,902 krans. In fiscal year 1926/1927 the budget items "health care" and "American advisers" were 1,860,970 krans and 1,705,000 krans respectively. In other words, state resources allocated for the purposes of health care for the entire Iranian population were almost equal to the sum allocated for maintaining a group of American advisers.[18] It is not surprising: The American advisers received an excessively high salary, 8-10 times the salary of even the top Iranian civil servants.

The American advisers tried, at the expense of the working strata of the Iranian people, to bring about an excess of income over expenditure, prepare a state budget without a deficit and thereby justify their own presence in Iran. It was of no interest to them what the consequences of the U.S. anti-Iranian policy would be for the fate of millions of Iranians, although they were well aware of the merciless exploitation of the Iranian people. Millspaugh himself, in his book, writes of the hard lot of the Iranian working people, who worked for their hard-earned bread by the sweat of their brow, from dawn to dusk.

The missions harnessed Iran's trade increasingly closely to U.S. economic requirements: In 1913/1914 the United States ranked ninth in terms of imports to Iran, and in 1927/1928 it ranked sixth.[19] During that time, total U.S. exports to Iran increased from 223,583 krans to 24,961,000 krans, that is, an increase of more than 111 times. Total U.S. imports from Iran increased from 10,209,601 krans to 81,043,172 krans (nearly an eightfold increase).[20] The American advisers' activity helped ensure that foreign trade was characterized by a negative balance and nonequivalent exchange between Iran and the imperialist powers. By this means, first, the U.S. advisers ensured Iran's transformation into a market for goods and a source of cheap agricultural raw material for American monopolies (during the period when the American advisers were lording it in Iran, the equivalent purchasing power of a ton of rice fell to nearly half its former level, which led to a grave situation for the country's main producer--the peasantry), and second, they wrecked Iran's economy in order to make it dependent on the United States.

The American mission attached great significance to seizing the oil sources in northern Iran. The United States was striving to get its hands on the capitalist world's oil sources, among which north Iranian oil occupied a significant place. Moreover, the country's northern provinces were close neighbors of the Soviet Union.

In accordance with the 1921 Soviet-Iranian treaty, all concessions obtained in Iran by the tsarist government or Russian subjects were handed over to the Iranian people without compensation. Article 13 of the treaty proclaimed that those concessions could not be handed over to foreigners. But in November 1921 Iran's ruling clique, in flagrant violation of the treaty, granted an oil concession for five northern provinces to the American Standard Oil Company. In December of the same year, Thompson, a representative of the Sinclair Company, which also had claims to north Iranian oil, arrived in Iran. But the Anglo-Iranian Oil Company stood in the Americans' path to the seizure of the northern oil.

It was in this critical period of the struggle between the American monopolies and the Anglo-Iranian Oil Company for the northern oil that Millspaugh appeared in Iran. It is no accident that there was a special clause in his contract giving him the right to interfere in the granting of concessions to foreign states by the Iranian Government. Being a placeman for Standard Oil, Millspaugh exerted pressure on the shah's government to insure that concessions for north Iranian oil were granted to precisely that company. But Sinclair also had a strong lobby in

Iranian ruling circles. Moreover, it enjoyed the direct support of the U.S. secretary of state.[21]

The concession contract concluded between Iran and the Sinclair Oil Company in December 1923, like the draft contract with Standard Oil, which never went through, was predatory in nature: It provided for the exploitation of oilfields in four of the five northern provinces of Iran and the handing over of only 20 percent of the revenue to Iran. Although the Majlis approved this agreement in September 1924, it did not come into force.[22] The concession contract was opposed by the British Government and the Standard Oil Company. In April 1925 the Soviet Government again notified Iran, as it had done with respect to the concession contract with Standard Oil in 1922,[23] that Iran could dispose of the oil concession in the north of the country only within the terms of the 1921 Soviet-Iranian treaty. As a result of all this the Iranian Government was forced to annul the agreement with the Sinclair company as well.

The Americans' machinations over Iranian oil testified to the U.S. imperialists' far-reaching plans. In particular, an important factor in the insistent U.S. desire to obtain the oil concession in northern Iran was the strategic location of the northern provinces and their close proximity to the Soviet Union's borders. The researcher M. Brooks, exposing the anti-Soviet orientation of these imperialist solicitations, writes: "The continual requests for the granting of prospecting and drilling rights in northern Iran were only a pretext for sending agents to those regions."[24] Another American writer, L. Fisher, also points out the anti-Soviet nature of the U.S. imperialist solicitations with respect to oil concessions in northern Iran. "A concession to a British or joint Anglo-American company," he writes, "would inevitably have led to an expansion of British (and American--I. Yu.) influence up to the Russian borders, and as a result a base would be created for intrigues and disturbances, and also for possible efforts to cause the Caucasus to break away from Central Russia."[25]

Another important target of the American advisers' activity in Iran was a concession for the construction of railroads and highways, which was also used as an instrument for enslaving the country and subordinating its economy to the interests of financial capital. V. I. Lenin described such activity in this way: "The construction of railroads seems to be a simple, natural, democratic, cultural, civilizing undertaking: That is how it looks in the eyes of bourgeois professors who are paid to whitewash capitalist slavery and in the eyes of petty bourgeois philistines. In fact the capitalist threads which bind these undertakings by thousands of nets to private ownership of the means of production in general have transformed that construction into an instrument for the oppression of a /billion/ [in italics] people (in colonies or semicolonies)--that is, more than half the population of the world in dependent countries and hired slaves of capital in 'civilized countries.'"[26]

In undertaking railroad construction the American advisers, headed by Millspaugh, set the task of weakening British positions and facilitating the further penetration of Iran by American capital. The U.S. imperialists and the Iranian ruling clique saw the railroad as a means of strengthening central power and rapidly eliminating internal "disorder." At the same time the American imperialists hoped to use the railroad for military-strategic purposes against the USSR.

Early in 1923 Millspaugh proposed that the Iranian Government adopt a law on the construction of a railroad and involved the American Ulen Company in this plan. By the end of 1924 the Iranian Government and this company had concluded an agreement on research into the question of planning and constructing a number of railroad lines and highways. The contract was signed by Reza Khan, who had become prime minister by then, and Bennett, the company's vice president.

In order to attract American business to Iran, the financial mission elaborated a plan for granting Iran a major loan for "production" purposes, with Iranian natural resources as a guarantee. "Prospecting" for internal resources, in 1925 Millspaugh prepared a draft law on the introduction of a state monopoly of sugar and tea in Iran, the revenue from which would go into the railroad construction fund.[27]

The monopoly was able to yield 5 million tomans a year (1 toman equals 10 krans), which did not cover the railroad construction calculated for 10 years, the planned cost of which was set at 72 million tomans.[28] The calculation was simple: The resources from the sugar and tea monopoly were not enough for the costly construction work, there were no other sources of finance and, therefore, the Iranian Government would be forced to ask the American imperialists for a loan.

In early 1927 nine American railroad construction specialists arrived in Iran. A railroad department was formed at the Ministry of Public Works, led, in essence, by American specialists. American engineers traveled about the country and investigated the regions of Mazandaran, Shiraz and Mohammerah (Khorramshahr).[29] On 24 February 1927 the Majlis hurriedly adopted the American project for the construction of a railroad linking the Caspian Sea with the Persian Gulf, 1,670 kilometers long.[30] It was proposed to the government that it begin the construction of the railroad between Mohammerah and Bandar-e Gaz from both ends, via Hamadan and Tehran.

The American plan met with fierce attacks in Britain. The British imperialists had in mind the construction of routes lining Iran with India. They were afraid that the laying of the trans-Persian railraod would undermine the transit significance of routes in Iran for their trade and that the enslavement of Iran by the United States would undermine Britain's positions there.

The Millspaugh mission, offering American capital a broad opportunity to take part in the construction of Iran's communications and to try to gain a monopoly of such concessions for American capital, opposed the granting of railroad and highway concessions to other countries. Millspaugh objected to the participation of a French company in building the Tehran-Khanaqin highway, and also to the servicing of Iran's air routes by the German Junkers firm.

American engineers in charge of road construction, on instructions from Washington and the Millspaugh mission, worked on the principle of "maximum expenditure, minimum results" so as to destroy the country's economy and force the Iranian Government to ask American capital for sops. The selfish goals of U.S. policy were so obvious that even the Iranian ruling circles, which also derived personal benefit from this construction work, were forced to dissolve the contract with the Americans, and then with a joint American-German syndicate which was delaying matters. The construction was handed over to a Swedish-Danish company, Kompaks, which finished building the highway.

A characteristic feature of Millspaugh's mission was interference in Iran's internal affairs. As already noted, Millspaugh's ally and assistant in consolidating American influence in Iran was Reza Khan. An experienced political dealer, Millspaugh knew how to act subtly according to the situation, "and so it became possible for him," V. Sheehan, an apologist for imperialism, cynically writes, "to take very important political power when necessary, and all this without the slightest outward signs."[31]

Sheehan, admiring Millspaugh's political abilities, considers the Americans' 15-year stay in Iran to be a "miracle" which the monopolists owed to the head of the mission. He writes: "If Reza Shah had ever aligned himself with forces politically opposed to American administration, it is highly probable that the Americans would have had to pack their bags 2 days later, but Doctor Millspaugh foresaw this possibility and forestalled it by concluding an agreement with Reza Shah and by conducting a consistent policy of support for the dictator--or subordination to him whenever necessary--in return for his support."[32]

Of course, these relations were sustained on the principle of reciprocity. In particular, this reciprocity was based on the idea that Millspaugh, strengthening Reza Khan's economic position, received help from him in strengthening American influence on Iran's policy and economy. He did everything to encourage Reza Khan's aspirations to power and helped him substantially in this. Thus, in order to satisfy the war minister's needs in strengthening the army--his main prop in the struggle for power--Millspaugh put the War Ministry budget through the Majlis first, before the discussion of the general budget, and allocated Reza Khan money from the year that had not yet begun.

Reza Khan, in his turn, needing support for his dictatorial aspirations, saw Millspaugh's mission as an important instrument for implementing his designs. That is why he did not refuse the Americans' request to use the army to extort taxes from the population. "Needing a force capable of collecting taxes," Millspaugh admits, "I saw no other way than to try any possible means of enlisting Reza Khan's support and cooperation and, through him, the army's support."[33]

As Reza Khan's power was consolidated—he also became the prime minister--his ties with Millspaugh also became stronger. Prime Minister Reza Khan "stated," Millspaugh confirms, "that he is more willing than ever to cooperate with the American mission in getting constructive proposals through the Majlis and in attracting foreign capital into the country to develop its resources."[34] These ties became even stronger when, on 12 December 1925, Reza Khan was proclaimed shah of Iran under the name of Reza Shah Pahlavi.

The American mission placed every possible obstacle in the path of the establishment of normal cooperation between Iran and the Soviet Union. This policy on the Americans' part was clearly visible in the sphere of economic reorganization in Iranian Azerbayjan. In 1926 Azerbayjan was visited by reactionary Minister of Public Works Daver and financial adviser Millspaugh, who, with a view to isolating the economy of northern Iran from the Soviet Union's influence, drew up a plan for replacing agricultural crops exported to the USSR with crops for which there was no demand in the Soviet Union and which would go to European markets.[35] Millspaugh also repeatedly rejected the USSR's proposal, advantageous to Iran, on the creation of a Soviet-Iranian society for the exploitation of fisheries on the southern shores of the Caspian.[36] The agreement was only signed after the American mission's departure from Iran.[37]

Millspaugh also actively supported Iranian reaction's struggle against the progressive national bloc that was created in the country, which put forth a program for the sociopolitical renewal of Iran and the establishment of friendly relations with the USSR. For example, the American adviser demanded the immediate payment of arrears from merchants and farmers in northern Iran who supported the progressive forces' struggle for the restoration of trade with the Soviet Union, while not even touching the defaulters in the south. And when the merchants and farmers of the north asked War Minister Reza Khan to alleviate payments, even if only in the form of a moratorium, they were refused.

The mission's interference in the country's politics is clearly reflected in the fact that, when there was a movement for a republic in Iran, Millspaugh stopped paying salaries to civil servants who supported the establishment of a republican system and demanded a list of such civil servants from the government. When the employees went on strike to protest this, "we let them know," he says in his book, "that if any employee left his work, all of them would be dismissed."[38]

The Millspaugh mission's activity severely damaged Iran's economy. The new taxes, the difficult material situation and the mission's overt interference in political life gave rise, in 1923, to widespread demonstrations against the American advisers' presence in the country. In 1924 American Consul R. Embry was killed in Tehran. Fearing the people's wrath, the government provided Millspaugh with protection. Although the diplomatic aspect of the incident was soon smoothed over, Reza Khan's government took advantage of it to rout left-wing forces. Martial law was declared in Tehran and certain provinces and indiscriminate arrests of democratic and progressive elements began. This was also a way of expressing Reza Khan's loyalty to the American impeiralists. As before, Iran's ruling circles continued to give assistance to the mission in subordinating the economy to American capital. Iran's policy was harnessed more and more closely to the United States. Thus the "Iran-United States" society was created, headed by Millspaugh himself, and also by Reza Shah, Hossein Ala, Daver and other pro-Americans. However, the protests against the mission's presence in Iran did not stop. On the contrary, increasingly broad strata of the population became involved in these protests. In 1926 major uprisings flared up in Gilan and Khorasan, which was one result of the policy of increased taxation.

By 1927 U.S. influence in Iran began to be seriously opposed by Germany and Britain, which feared the excessive strengthening of American positions. At the same time Reza Shah's attitude toward Millspaugh was changing. Whereas in the initial part of the struggle for power Millspaugh had helped him to rise and strengthen his position, subsequently, when Reza had consolidated his power, Millspaugh became an obstacle, trying to hold on to key positions in the country's administration. Making use of the dissatisfaction with the American mission's activity in various strata of Iranian society, Reza Shah restricted the mission's rights. In fall 1927 Millspaugh left Iran.

He again appeared on the political horizon in Iran when reactionary elements, headed by Shah Mohammad Reza Pahlavi, frightened by the scale of the democratic movement and the growth of the USSR's popularity in Iran, sought rapprochement with British and, in particular, U.S. imperialist forces. Discredited reactionary elements like the old British agent Sayyid Zia al Din [Tabatabai], who had formerly been driven out of the country, began to slip back into Iran, and such a pro-American figure as Qavam os-Saltane became head of the government. It was under this government that Millspaugh, just as 20 years previously, arrived in Iran as the head of a huge staff of American advisers, in January 1943, and once again, unrestricted rights and extraordinary powers in the sphere of Iran's finances and its economy--control of foreign and domestic trade, the distribution of industrial goods and foodstuffs, transportation, state factories and plants, prices and wages and so forth--were in the hands of the American agent, who again received the broadest opportunities to implement measures to "harness" the Iranian economy to the U.S. economy.

This time too, Millspaugh's mission did Iran great harm. Not only did it promote the country's economic disintegration and the enslavement of Iran by the U.S. imperialists after World War II, but also, interfering in political affairs, it did everything to encourage the shah's regime to implement a foreign policy course hostile to the Soviet Union.

As a result of the indignation and protests of the Iranian public, in January 1945 Millspaugh was deprived of his extraordinary powers by the Majlis, and a month later the Iranian Government refused his services.

The Millspaugh mission's activity is only an episode, but a typical one, in the U.S. imperialist policy implemented in Iran for a long time--a policy aimed at the economic and political oppression of the Iranian people and the flouting of their national interests and dignity. In the course of the implementation of this policy there was a symbiosis of imperialism and the shah's reactionary dictatorship, in which each of the participants sought to ensure its own advantages and interests.

The United States, taking into account Iran's strategic position and its oil resources, set the goal of strengthening its military, political and economic positions in that country and obtaining bases in close proximity to the borders of the Soviet Union and the Near Eastern countries.

As for reactionary forces in Iran--monarchist circles and the bourgeois landowning class--they sought to hold on to their privileges and consolidate their domination in Iran, supported by the might of American imperialism.

The collusion between all of these reactionary forces led to a situation in which Iran was drawn, in the 1950's, into the imperialist CENTO bloc (the former Baghdad Pact), on the basis of which the United States seized key positions in the Iranian Army, the Gendarmerie, the police and other punitive organs and flooded the country with its agents. Iran's foreign policy was placed at the service of imperialism and anti-Sovietism. Exercising full control over the economy and finances, American capital linked Iran closely to the world capitalist economy and the interests of international monopolies, as a result of which the Iranian economy became subject to the effects of inflation, currency and financial crises and other negative phenomena of the capitalist world.

The United States wanted to insure that Iran would be unable to spend the huge revenues obtained from oil to the benefit of its own economy. The lion's share of profits from the "black gold" went back into the safes of U.S. military-industrial and other monopolies. In the last 20 years the United States has sold Iran weapons worth 36 billion dollars. The militarization of Iran and the shah's arrogant aspirations to play the part of imperialism's "big stick" in the Near and Middle East cost the Iranian people 19 billion dollars, in the form of U.S. weapons, in 1973-1978 alone.[39] This was American imperialism's pay for supporting one of the cruellest regimes in the history of mankind--a regime which murdered at least 38,000 Iranian patriots.

The Iranian people were living in conditions of dictatorship and deprivations. The growth in unemployment and the cost of living and housing was the constant companion of most of the population. And this was the case when the country had colossal annual revenues of around 20-23 billion dollars from oil.

Naturally, this kind of U.S. "cooperation" with the shah's despotic regime could not fail to build up hatred in the Iranian people, both for the shah's regime and for the United States, which ultimately led to a flareup, to the emergence of the present U.S.-Iranian conflict.

FOOTNOTES

1. "Vladimir Il'ich Lenin. Biograficheskaya khronika" [Vladimir Il'ich Lenin. A Biographical Chronicle], vol 9, p 538.

2. V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 42, p 132.

3. See "Noveyshaya istoriya stran zarubezhnogo Vostoka" [The Recent History of the Foreign East], 1st ed, Moscow, 1954, p 255; G. N. Il'inskiy, "Iran v period obshchego krizisa mirovoy kapitalisticheskoy sistemy" [Iran in the Period of the General Crisis of the World Capitalist System], Moscow, 1953, p 16.

4. V. I. Lenin, Op. cit., vol 37, p 48.

5. "Mezhdunarodnyye otnosheniya v epokhu imperializma" [International Relations in the Imperialist Era], Series 2, vol XVIII, p 111, doc 103.

6. "Papers Relating to the Foreign Relations of the United States 1920," vol III, pp 356-357 (hereafter, "Papers...").

7. Ibid., vol II, pp 633-634.

8. Ibid., pp 636-637.

9. Ibid., p 638.

10. Ibid., vol III, pp 524-525.

11. A. Millspaugh, "The American Task in Persia," New York-London, 1925, p 20.

12. "Collected Resolutions of the Third and Fourth Majlis," Tehran, 1318 [sic], pp 213-217 (in Persian).

13. A. Millspaugh, Op. cit., p 18.

14. "The 6th Quarterly Report of the Administrator General of Persia," Tehran, 1924, p 2; V. Sheehan, "The New Persia," N.Y., 1927, pp 129-130.

15. A. Millspaugh, Op. cit., p 235.

16. An incident of some interest took place between Reza Shah and Clive, the British ambassador to Iran, who, interfering in the domestic political struggle in Iran, demanded the resignation of the government of Mostoufi ol-Mamalek. The British resident's flagrant interference annoyed even Reza Shah, who walked out in the middle of the conversation. Clive begged to remind Reza Shah that he owed his throne to Britain and that there were other claimants to the throne. Reza Shah's political flirtation with Hitler and the flooding of Iran with German agents placed the country's national independence in jeopardy, which led to the collapse of Reza Shah's pro-fascist policy. In September 1941 he abdicated in favor of his son and fled to South Africa. However, his crowned offspring did not learn a political lesson from this.

17. "Quarterly Reports of the Administrator General of Persia," Tehran (1923-1927); N. Karpov, "Ekonomika sovremennoy Persii" [The Economy of Persia Today], Tiflis, 1928.

18. See E. Longeman, "Report on the Finance and Commerce of Persia," London, 1928, p 12; N. Karpov, Op. cit., pp 68-69.

19. Saleh Khan Hechmet, "La Perse economique," Paris, 1920, p 87; D. Zavriyev, "Torgovo-politicheskiy kurs Persii" [Persia's Commercial Policy], Tiflis, 1931, p 25.

20. "Tableau general du commerce en Perse (1913-1928)," Tehran, 1930.

21. M. Brooks, "Oil and Foreign Policy," Moscow, 1949, pp 91-92.

22. Ibid., p 91; N. Karpov, Op. cit., pp 51-52.

23. Standard Oil's concession was revoked in 1922 as a result of Soviet protests.

24. M. Brooks, Op. cit., p 93.

25. L. Fisher, "Oil Imperialism," N.Y., 1926, p 229.

26. V. I. Lenin, Op. cit., vol 27, pp 304-305.

27. "The 13th Quarterly Report of the Administrator General of Persia," Appendix II.

28. REVOLYUTSIONNYY VOSTOK, No 2, 1927, p 200. The trans-Iranian railroad cost the Iranian people 247,533,006 tumans.

29. TORGOVLYA ROSSII S VOSTOKOM, No 1-2, 1927, p 19.

30. "Collected Laws and Resolutions of the Fifth Majlis," Tehran, 1326, pp 199-200 (in Persian); REVOLYUTSIONNYY VOSTOK, No 2, 1927, p 199.

31. V. Sheehan, Op. cit., pp 133-134.

32. Ibid., p 135.

33. A. Millspaugh, Op. cit., p 46.

34. Ibid., p 238.

35. KOMMUNISTICHESKIY INTERNATSIONAL, No 43, 1929.

36. A. Millspaugh, Op. cit., p 299.

37. "Sovetsko-iranskiye otnosheniya v dogovorakh, konventsiyakh i soglasheniyakh" [Soviet-Iranian Relations in Treaties, Conventions and Agreements], Moscow, 1946, pp 104-111.

38. A. Millspaugh, Op. cit., p 185.

39. HARPER'S MAGAZINE, November 1979, p 24.

CSO: 1803

UNITED STATES FOREIGN POLICY AT THE START OF THE EIGHTIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 43-54

[Article by G. A. Arbatov]

[Text] Say what you like, the calendar has miraculous power. Although neither a new year nor even a new decade in itself begins a new page in history and relieves politicians of their old problems and concerns, it is precisely at those times that there is the temptation to sum up results and try to look into the future. When it comes down to U.S. foreign policy, this temptation is particularly hard to resist since the beginning of both the 1970's and the 1980's actually did coincide with a revised political course in that country.

The time was certainly ripe for such a revision by the 1970's--it was not only justified but vitally necessary. At a hard price in failures and mistakes--sometimes tragic--American had learned the truths of the modern era. The country reached the conclusion that the old policy, the policy of force and cold war, was expensive and dangerous, did not solve the problems actually facing the country and was leading toward an increasingly hopeless stalemate.

Above all, it was clear that the country had to get out of the quagmire of the hopeless Vietnam adventure as rapidly as possible and avoid getting into similar quagmires in the future.

It was clear that there had to be a switch from attempts to impose the country's will, a switch from a policy of force and confrontation to a policy of talks with the Soviet Union, the other socialist states and the developing countries.

It was clear that many old values and priorities needed reviewing. In particular, it was clear that much more money and effort had to be devoted to solving the aggravated domestic economic and social problems and that it was beyond the means of even this rich country to have "both guns and butter." Mistrust of militarism and of the political concepts and politicians that had foisted on the country a policy of overseas adventures, a headlong arms race and the role of "world policeman" became widespread in the United States.

In short, it was clear that it was necessary to cut the country's coat according to its cloth and pursue a policy in line with U.S. potential, which had proved by no means limitless. As a result of these changes in Americans' feelings, many postulates of cold war and total anticommunism that only recently had seemed inviolable came under fire while the ideas of peaceful coexistence and detente, arms limitation and the development of mutually advantageous cooperation began to attract increasing attention.

All this could not fail to have an impact on American policy. The first half of the 1970's was marked by definite positive shifts there, and this helped improve the international situation, consolidate peace and improve U.S. relations with the Soviet Union and the other socialist countries. For its part the USSR had long consistently advocated changes of that kind in international relations. With the beginning of the 1970's, when alterations became apparent in the policy of the United States and its allies, these changes became really feasible.

At the beginning of this decade, different political winds are blowing in the United States and the opposite feelings and trends are prevailing. American policy is turning back to the well-worn ruts of cold war, and this is creating many threats to peace and international security.

Just what has happened and why has the political course of the United States changed so radically? Washington itself claims that the turnabout in its policy is a response to events in Afghanistan. We have absolutely no doubt that those events were not to Washington's taste. But there is something else that is equally clear--those events simply could not have been the reason for the change in U.S. policy, if only because the foundations of that policy, its main "blocks," were installed before and not after the events in Afghanistan.

This applies above all to the most important element of that policy--the course of further building up the military might of the United States, its allies and--as the President himself said, meaning either China, or Pakistan, or Egypt (or maybe all those countries, plus some others)--its friends. All the fundamental decisions on this score had already been made by the time of the events in Afghanistan. I refer to the NATO session's decision the year before last to increase the bloc countries' military budgets annually for 15 years, and to last year's decision to produce new American medium-range missiles and deploy them on European territory. I also refer to J. Carter's decision on a "5-year plan" of new military programs and unprecedented arms appropriations and to the statements by him and other officials that the United States is determined to defend its "vital interests" in various regions--sometimes a great distance away--at all costs, including by military means.

The United States had also taken certain other steps in its policy before the events in Afghanistan:

It steered a course toward freezing arms limitation talks and, if it did not wreck ratification of the SALT II treaty, subjected it to endless delays (to say nothing of the fact that the measures taken by the United States at the same time to build up its armaments and the new bout of war hysteria that has erupted in the West in recent months seriously damaged the spirit, if not the letter, of that agreement and largely devalued its significance as a big step toward ending the arms race as a whole);

It sharply stepped up the intensity of anti-Soviet hysteria;

It expedited the rapprochement with Beijing on a platform of "common strategic" interests (anti-Soviet, of course);

Thus, by as early as mid-December 1979, any unbiased observer--in either Moscow or Washington--could not help seeing that the United States had changed some important directions of its policy (much more important than, say, grain sales or participation in the Olympics), that it was on precisely this platform that the President was entering the election campaign and that the White House might only be waiting for an opportunity to "formalize" the aforementioned changes in the shape of some new doctrine.

There is also every reason to reject the attempts to justify this political turnabout by referring to the "Soviet military threat."

There can be no question that the Soviet Union displays concern for its own defense; this concern is perfectly justified in light of what is happening in the United States and a number of other countries and regions of the world. But it is a matter precisely of defense--American propaganda may hush that up or lie about it, but American policymakers cannot avoid being aware of it.

They are also sufficiently well informed about both the military might of the powers that are the USSR's potential enemies and the realities of the USSR's geopolitical position to perceive as aggressive intentions the measures that the Soviet Union has to take to strengthen its own defense. It would be interesting to know just how American politicians and generals would define amounts of the essentials for defense, which are what they constantly accuse the USSR of exceeding, if there were Warsaw Pact troops on the northern border of the United States and if in the south, instead of Mexico, there was a country with a population of 1 billion and nuclear weapons which was pursuing a militarist course and laying claim to the territory of several American states.

On the initiative of Z. Brzezinski a propaganda ballyhoo has been kicked up in the United States regarding the notorious "arc of instability" embracing Southwest Asia and the Near East--that region has been announced as a zone of American "vital interests." Did the people over there not pause to consider that, for a considerable part of its length, the Washington-invented "arc" runs along the Soviet Union's southern borders and across the territory of its neighbors (Afghanistan included)--that is, through a region that is extremely important to the USSR's security and vital interests?

To be honest, when it is not an ordinary citizen, scared by propaganda, or a senile retired general who is babbling about the "Soviet threat," when politicians and experts of sound mind are discussing and arguing this topic, I have always had the impression that, in fact, these people are talking and arguing not about the Soviet Union and its might or intentions, but about the United States and the kind of American policy and U.S. place and role in the world they would like to see. It is simply that it is somehow more convenient to put forward the most shameless demands and claims while alluding to the Soviet Union--just see the lengths to which the USSR is driving modest, quiet and peace-loving America.

In fact, no one provoked the United States into toughening up its foreign policy. The United States "psyched" itself, drove itself into doing this and, what is more, over a pretty long period and pretty methodically and consistently. Here I would like to move on from the pseudo-reasons to the real reasons for the abrupt turnabout in American policy. These must be sought above all in the United States itself.

In short, these are reasons of two kinds. Some of them are factors that have changed the U.S. ruling circles' stance and ensured that the wing that had long been seeking this turnabout--although for a long time without any success--prevailed in the struggle under way there. Others are factors that changed the political situation in the country so much that they permitted the ruling circles to effect the turnabout in policy.

I will begin with the first reasons.

Modern America entirely bears out Lenin's analysis of the various trends constantly struggling within the ruling bourgeoisie's ranks over the main political issues, including questions of war and peace.[1] It is well known that extremely influential groups of the ruling class were opposed to detente literally from its inception--the military-industrial complex and later also the oil monopolies; the military elite, part of the bureaucratic apparatus and part of the mass media connected with them; Zionist circles, and others. This was manifested with the utmost clarity back during the debate over discussion of the Soviet-American SALT I agreement in 1972 and the debate on trade legislation in 1973-1974. Although in some instances these groups succeeded in forcing acceptance of decisions that caused appreciable damage to positive political trends, they could not stop those trends.

The need for changes having deep roots in objective reality was too obvious. At the turn of the 1960's the United States was in a situation of acute multifaceted crisis. Not just among the public, but also in America's ruling class (including a considerable section of its conservative right wing) the prevailing viewpoint was that the only way out for the United States was to embark on a review of the basic principles of foreign policy, at the very least renouncing extremes of cold war. At that time most of the ruling circles understood a truth that American political scientist R. Barnett had recently recalled--the truth that "societies die if they cannot adapt quickly enough to changes in the surrounding world."[2]

What was objectively placed on the agenda (to use the language of class struggle) were not, of course, revolutionary changes, but an extremely profound and fundamental reform of U.S. policy--an adaptation of it to the changes taking place in the world, to new realities, including the changed correlation of forces. A reform of an importance and scale that inevitably foreordained an acutely conflicting political process.

After all, the question essentially posed was that of breaking with the aims, notions and norms of political behavior of an entire era, the era of the absolutely unique position in which the United States found itself immediately after World War II. It found itself in this position because it was the only major power to have emerged from the war without any significant casualties and devastation, economically strengthened while its rivals had suffered unprecedented difficulties, a power which had a nuclear monopoly and supremacy in a whole series of important spheres of military technology. In short, it was a power, it seemed at the time, capable of buying almost everything and everybody and of suppressing by its superior forces or even destroying what it did not succeed in buying. The historical circumstances which enabled the United States to occupy this position were transient and irrepeatable. But they were perceived and accepted by many Americans as the natural and permanent order of things, promising the advent of "the American age."

Naturally, it was hard to part with these illusions and still harder to part with the policy based on them. How hard it is to give something up even when you have to give up something to which you never had any right. How hard it is to withdraw even from positions which can never be defended.

Understandably, under these conditions the formulation of U.S. foreign policy became an object of particularly keen struggle. While initially realistic trends gained the upper hand, in the second half of the 1970's this process of adapting policy to changes in the world began to slow down. This was largely promoted by the changes in the moods of more and more groups in the ruling class, coming under the influence of forces hostile to detente. A large part here was played by the widespread and persistent campaign mounted by these forces over the changes with which a considerable section of the U.S. ruling bourgeoisie found it particularly hard to come to terms.

One such change was the loss of U.S. military superiority, and the development of parity and approximate equality with the Soviet Union. This parity has frequently been acknowledged verbally. But in fact attempts have been made to explain all U.S. defeats and failures in the international arena by the loss of military superiority. The reaction is absolutely wrong but very typical of imperialism in general and of U.S. imperialism in particular. It is connected with its attitude toward force, above all military force, as the main instrument of policy. This approach forced people to interpret these defeats as the result of insufficient military might and also of its insufficiently resolute utilization for the defense of U.S. "vital interests."

It was in the same spirit that U.S. ruling circles viewed the exacerbation of the problem of natural resources, particularly oil. Although for a long time it had been happy to talk about the growing "interdependence" of countries in our era, America's growing dependence on Near East oil was seen as intolerable "vulnerability" and thus as grounds for seeking special rights in this area--seeking them by every possible method, including force. The imperialist aspirations and demands were resurrected in a form so double-dyed and overt as would have been avoided in public utterances certainly since the end of the 19th century.

I will name yet another factor which is exercising an ever increasing influence on the position of a considerable number of representatives of U.S. ruling circles. This factor is China, or rather the illusions connected with it. Illusions that rapprochement with the chauvinist Chinese leadership, which is hostile toward detente and which is kindling anti-Soviet hysteria, can change the balance of power and strengthen America's position to such an extent that it will be able to totally dispense with detente and will once again be able to throw its weight around the world.

All this intensified the feelings of animosity and adventurism in the U.S. ruling elite, which gave rise to corresponding political concepts--concepts whereby U.S. military and economic might grows as a factor of world politics the more crudely and brusquely it is used, suppressing some people and putting fear into others.

True, support for this kind of concept, so far as can be judged, has been far from unconditional (and it is hard to say how longterm the support is). But it has been enough for the government to embark on an abrupt change of course. Many specific facts and details of the process leading up to this decision are still unknown. It is difficult even to say how orderly this process was. You must not simplify the situation in the United States and see order and organization where there is none, where there is a constant lurching from one side to the other and where an apparently well-conceived political mechanism does not preclude the adoption of rash decisions which are often even detrimental to U.S. interests.

It obviously took more than changes in the mood of the ruling elite to alter the course. It was necessary to undermine the public's resistance to attempts to turn away from detente toward a new version of cold war.

As is known, detente and its chief aspects, such as improving relations and developing mutually beneficial cooperation with the USSR and limiting the arms race, had the support of the overwhelming majority of Americans. That is why the opponents of detente spent a long time making a desperate effort to poison the political atmosphere. It was to this end that the hysterical "Soviet threat" campaign was mounted and everything was done to fuel nationalist and even chauvinist sentiments. Tales were invented about the "sudden" discovery of a "Soviet combat brigade" in Cuba, although Soviet military specialists had been working there for many years and Washington itself had repeatedly admitted that this was no threat to U.S. security. Highly skillful use has been made, in order to kindle chauvinist feelings, of the difficulties encountered by the United States, especially the recent crisis in Iranian-U.S. relations and the taking hostage of the American Embassy employees. Attempts were made to beat a path to the hearts and national feelings of Americans through their pocketbooks and gas tanks by calling the energy crisis and, in part, inflation the consequences of the "national humiliation," "decline" and "impotence" of the United States.

All these efforts were bound to have an impact, especially since to some extent they were made in a favorable atmosphere. Indeed it is a fact that under U.S. conditions even today it is far more beneficial and safer for politicians to err by "leaning" to the right, in the direction of implacability, hatred and toughness. For some reason this position is regarded as being more patriotic, although in a nuclear age it threatens the country with the greatest misfortune. For some reason this position is seen as being more sober and realistic, although what could be more illusory today than to pin hopes of security on the arms race and the policy of force. The fact that the quick-drawing cowboy is not only the favorite movie hero but is also a political symbol dear to the hearts of many Americans is not the sole factor here.

The surviving legacy of hegemonism, cold war and anticommunism remains an important factor in U.S. politics. Also, by all appearances, the ideas not only about national but also about personal security--ideas nurtured by the cold war and by the dark period of McCarthyism. I must mention in this connection the observation by Professor J. Galbraith that the arms race is nourished in the United States by the economic interests of influential groups, and that this interest is maintained by the "two great fears" that permeate American politics. One of them is the fear of communism, typical of conservatives. The other is the fear of appearing soft in relation to communism, typical of liberals (and, in the professor's view, even more dangerous since few people today are capable of achieving such a level of irrationality as the liberal who feels he must show that he is firmer with the Reds than anyone else is).[3]

A role has also been played by the peculiarities of the U.S. political mechanism, which enable a well-organized minority possessing financial resources to inhibit or even paralyze the conduct of a policy supported by the majority.

The well-known American diplomatic and foreign policy researcher G. Kennan analyzed these and other peculiarities of the U.S. State power mechanism and wrote that if the country was badly prepared even in the days of De Tocqueville for well-coordinated and purposeful participation in the complex ins and outs of world politics, it is even less adapted today. Kennan lays particular emphasis on the system's unsuitability to carry out "ambitious political and military undertakings far from its own shores" (like the Vietnam adventure) and the unsoundness of the idea of "American world leadership or imperial might."[4] The experience of recent years, however, has shown that great difficulties also occur for the same reasons in the pursuit of a consistent, stable course of detente and cooperation.

But maybe detente in the United States has simply had back luck. The governments in power in the 1970's (excluding, perhaps, the Nixon Administration, and that for only a very short period—until the Watergate scandal) either did not want, were unable or were afraid to consistently pursue this course. This applies particularly to the current administration--its policy has greatly contributed to the deterioration of the political situation. Last February, TIME magazine, quoting a State Department aide to the effect that Z. Brzezinski has "at last got his cold war," noted very perspicaciously that the situation, which at first glance confirms the validity of the "hard" line toward the USSR which he had been preaching for a long time, was in many respects created through his own efforts, through his anti-Soviet policy.[5] Of course, it is not simply that the President's advisers and some other administration representatives have managed to impose particular anti-Soviet actions on the government. The President and the administration as a whole have been guilty of vacillations and zigzags in important policy matters which have rocked the foundation of detente and objectively helped to strengthen the positions of its opponents. This has been the policy of the administration as a whole.

In America many people like to critcize detente for depriving Washington of will and determination in dealing with other countries, in particular in using military force. But if one is talking about the United States lacking will and determination in the 1970's, then it was primarily in the implementation of the detente policy, in efforts to limit the arms race and strengthen trust. This was the main reason for the fact that, despite all the benefits of the 1970's, it was in many way a decade of missed opportunities.

It was right to note the significance of the fact that the adoption of important foreign policy decisions has coincided on this occasion with the start of the new election campaign in the United States. In fact, election eve in America is a bad time for good politics and a good time for bad politics.

But that is enough about the reasons. Let us turn to another question: What are the potential real consequences of the American policy changes; What will they mean for the world, and for the United States?

In answering this, it is necessary above all not to underestimate the dangers entailed by the shift in U.S. policy. The U.S. President was quick to call the events in Afghanistan the biggest threat to world peace since the end of World War II. Let this statement weigh on his conscience. One can clearly say, without any exaggeration, that it was the U.S. move away from detente toward the exacerbation of the international situation and the policy of force that have been the biggest threat to world peace in the last 10 years, at any rate. This is not rhetoric. The second edition of the cold war would be more dangerous than the first for a number of reasons.

First, a return to totally unbridled hostility and a relation of confrontation, to a policy whose supreme, self-contained aim is to hurt the other side at all costs, would take place at a new and more dangerous level of development of the means of destruction. And this, many specialists believe, would make military conflict more likely, and its consequences even more devastating.

It is believed--and quite rightly--that new twists in the arms race will not only increase the quantity of weapons but will also undermine strategic stability. Already on the way are weapons systems which will revive fears of the possibility of a preemptive, preventive strike (the MX and Trident-II missiles, new warheads with increased accuracy and so on), and also systems which will render more difficult monitoring and surveillance of the other side and which will thus increase mutual distrust even more, and hinder, if not make impossible, agreements on the limitation of arms (the Max and cruise missiles and so forth). Finally, an unbridled arms race will significantly increase the danger of the further spread and proliferation of nuclear weapons in the world (we can already see how the change in the U.S. position vis-a-vis Pakistan makes it easier for the latter to implement its nuclear plans). This is a massive threat to international security and to U.S. security.

Second, many more participants in international relations would be dragged into the maelstrom of the cold war. And in a conflict situation an increase in their numbers is accompanied by an increased risk--especially if some of these participants are inclined to play the most senseless and irresponsible game in the world arena. This applies primarily to China. The West and especially the United States are clearly passing the point, or, perhaps, have already passed the point, beyond which, in exchange for the "China card," they have to assume burdensome and dangerous commitments and allow Beijing to use its new-found friends in its own political games.

As is known, Beijing has insatiable great-power designs and is making territorial and other claims on virtually all its neighbors. Like the United States, it regards itself as having the right to reward and punish others, and to "punish" them by means of direct military aggression. All this means that Beijing's friends have every chance of being drawn into conflicts which they would do better to avoid. The closer the United States and the other capitalist countries get to China, the more the latter's appetite and penchant for adventures will be inflamed.

In short, China with its plans will hardly "fit" the new American political schemes, schemes of heightened risk and military conflict brinkmanship which, naturally, demand increased confidence in the ability to control events. China is a power which will "go it alone" even in the new situation. Moreover, it is a nuclear power whose weapons can reach the territory of its closes neighbors at the moment, but which very soon will be able to reach U.S. territory. A power which even now is undermining the stability of a vast region and transforming the greater part of Asia into a zone of tension, arms race and potential conflicts.

The danger posed to the world situation by the new U.S. policy is also linked with other important circumstances. The coming decades will be a period of the serious exacerbation of global problems--natural resources and energy, food, the environment and others. Detente broades the possibilities for resolving them, and under conditions of detente the very existence of global problems becomes a strong additional stimulus for international cooperation. Under cold war conditions, on the other hand, these problems whip up rivalry and enmity, and insuperable obstacles are erected in the way of their resolution.

That is what the new U.S. policy can bring the world. It cannot give America itself anything good. For the majority of the goals set by this policy are both unattainable and bear no relation to the real problems which will actually confront the United States in future years.

This applies, above all, to the goal of achieving military superiority. If the United States was unable to win the arms race before, when it had considerably more advantages, why should it succeed now that the economic, scientific and technical gap between America and the USSR has been considerably reduced?

The realistic nature of present plans for the constant buildup of military expenditure for many years ahead also gives rise to doubts. Of course, America is wealthy and has the world's most powerful economy. But this economy is also faced with very great and growing problems--in the common opinion there are not "fat" but "lean" years ahead of it. And many of these problems are related in one way or another to immoderate military spending. There is inflation and the budget deficit. There is unemployment (the funds spent on weapons, as has been established, create far fewer jobs than they would create in civilian sectors). There is the deceleration of scientific and technical progress and thus of the growth of the economy's efficiency (an enormous proportion of scientists and engineers are diverted into the development of weapons).

Finally, there is also a whole tangle of complex social problems in the United States requiring colossal funds for their solution--problems of social security, housing, health care and education, the problems of the big cities, transportation and others. For the sake of the new military programs, the appropriations for these are being cut back now. But this cannot be done endlessly without running the risk of grave upheavals.

Seeing these difficulties does not mean exaggerating them. As yet America can still pour many more billions into the bottomless barrel of the arms race. But the war in Vietnam has already shown that this potential is not unlimited and that, having reached a certain level, military spending begins to disrupt the foundations of the economy, to undermine the economy's viability and to cause domestic political conflict.

But the main things lie elsewhere. What can America purchase for these hundreds of billions of dollars? The security, they say, which allegedly is threatened by the Soviet Union. But the real threat to the national security, and even to the national existence, of the United States does not emanate from the Soviet Union. It lies in the continuing arms race, in the tension and unresolved conflicts which persist in the world and threaten to get out of control and act as the fuse for a thermonuclear catastrophe. And the shift in U.S. policy not only does not eliminate, but seriously aggravates, these true sources of the threat to U.S. security.

Evidently, U.S. relations with its allies are not taking shape very simply. One reason for the U.S. aggressive circles' reluctance to come to terms with detente was their conviction that it was intensifying centrifugal trends in the West by creating an atmosphere of "slackness" and "demobilization mentality." That is why Washington resolved to obtain from the "Soviet threat" campaign and the toughening of its political line a "dividend," such as the shortening of the leash on which the United States keeps its allies and the strengthening of the imperialist alliances.

In fact everything is proving far more complex. The U.S. allies have a deeper interest than the United States in preserving and even intensifying detente. And not only because they know better than the United States the hardships and troubles which war brings, having experienced them for themselves. For perfectly objective reasons, they and the United States have different attitudes toward many of the likely consequences of the abandonment of detente and the return to cold war. For the United States, Europe ultimately remains a remote approach to its territory, a distant trans-Atlantic bridgehead in a possible "local" conflict. But for its Western European allies, conflicts of this sort are far from a local matter, they are a matter of life and death, a question of their physical existence. In addition, for the Western European countries and for Japan, more important, truly vital interests are indeed linked with economic, scientific, technical and cultural relations with the socialist countries. Although even now the United States can "twist the arms" of individual allies, the new U.S. policy, the backsliding toward cold war, will most likely split rather than rally them and will create new pretexts for contradictions.

There is also another aspect here, an important one both for the U.S. allies and for all other countries. The sharp turn Washington has taken in its foreign policy has been accompanied by the violation of many of the commitments it has undertaken (treaty commitments included) and of its assurances and promises. This shift has demonstrated once again an absolutely definite style of policy--fluctuation, high-handed treatment of others, total lack of restraint, the readiness to subordinate important foreign policy issues to considerations of short-term advantage, including considerations linked with domestic policy maneuvering and infighting. All of this confirms something which has been said in recent years not only by America's enemies but also by its friends--it is unreliable as a partner, as a participant in international relations.

Hopes of the "advantages" which the resurrection of interventionism, envisaged by the "Carter doctrine," will give America are unfounded, to say the least. Even from the purely military aspect of the matter, while duly acknowledging the interventionist potential of the "quick-reaction corps" now being set up in the United States, one nonetheless cannot forget that there were four to five times more U.S. troops in Vietnam than in this corps, and that did not save them from defeat. But the political aspect is even more important. From this viewpoint, the new U.S. policy is an example of a truly classic lapse of historical memory, of incomprehensibly obstinate attempts to distort the true reasons for its foreign policy defeats and failures and to depict them, despite everything the history of past decades teaches us, as the result of U.S. "weakness" and "irresoluteness" and of the development of detente.

In fact there was a completely different reason for the failures--the United States' traditional imperialist approach to other countries and the practice, entrenched during the cold war, of supporting authoritarian, corrupt regimes hostile to the people. Implanting dictators for decades and justifying this with clumsy maxims like "he may be son of a bitch but at least he is our son of a bitch," the United States was, to all appearances, placing delayed-action mines under the future of its own policy, mines which are now exploding one after another. This was one of the main lessons of Vietnam, convincingly confirmed in the 1970's in other "crisis points" in the world, particularly Iran. In actual fact it would be absurd to assert, for instance, that the shah's opponents had superior military strength at the time of the revolution. The revolutionary situation in Iran arose precisely as a result of the systematic abuse of force for over 25 years, since the Americans deliberately interferred in Iran's affairs in 1953 and overthtrew the Mossadeq government to put the shah in power. Furthermore, the events in Iran cannot be viewed in isolation. The forms which they assumed are, to some extent, linked with the entire situation in the region, especially the unsettled nature of the Near East problem.

The question of the reasons for these failures retains not only theoretical, but also historical, significance for the United States. The existing approach perpetuates errors; sooner or later they will have to be paid for. There are many countries--in Latin America, the Near East and other regions--which could have scores to settle with Washington. It is perfectly clear that far from all these delayed-action mines have already exploded. But Washington seems not to be thinking of this at present.

Instead of rendering existing mines harmless, people in Washington are, to all appearances, engaged in something else, adding more and more new mines and creating additional problems for themselves in the future. It looks as though the present line toward Pakistan, where the United States is operating in accordance with classic cold war scripts, presents such a threat.

The gamble on a forcible military solution when it is justified by U.S. "vital interests," such as the need for oil, looks even more dubious. Let us leave aside even the moral aspect of the matter and look at the question practically. It is undoubtedly possible to do some things by military force--to bomb, destroy and burn oilfields, oil pipelines and oil refineries. But surely this will not produce oil. No. The problem of oil deliveries from the Near East, from the Persian Gulf countries, does not lend itself to a military solution. Peace in this region, the renunciation of interference in its countries' internal affairs, just and equal relations with them--these are the essential political conditions for a real solution.

The raw material problem in general equally fails to lend itself to a military solution. Peace is also needed for its resolution. And it is still essential to realize how new the developing situation is and what grave changes it will require in many spheres of life. For instance, what proportion of imported oil, for whose sake the United States is now prepared to bomb the Near Eastern and Persian Gulf countries, kill their inhabitants and essentially start a war which entails a threat to the United States itself, goes to meet the United States' truly vital interests? Given the dwindling stocks of oil (and sooner or later of many other types of natural resources as well), is it possible to continue the thoughtless expenditure of resources on the arms race and on the excesses of a way of life which developed long ago, under different conditions?

With the aid of their aggressive policy and war, the United States and the other Western countries will not be able to maintain their existing standard of living, much less improve it. For this a different policy and different methods are needed, capable of mobilizing all scientific and production potential to conservative goals, developing broad international cooperation and creating a favorable political climate for this.

Testifying before the Senate committee discussing the SALT II treaty, Stanley Hoffmann, the well-known U.S. international relations expert, recently remarked quite rightly that the reasons for the foreign policy failures which have overtaken the United States are connected "not with muscles but with brains."[6] Nevertheless, Washington is seeking the solution of its problems in the all-round buildup and increasingly impudent use of military muscle.

This line does not convey an impression of determination or firmness. On the contrary, it looks like an example of political bigotry and intellectual cowardice. Whether its creators wanted it or not, Washington's political course is an attempt to avoid real, complex problems at a very difficult and crucial time, to hide from the difficulties which exist behind hackneyed political cliches and formulas which have already proved to be unsound. This policy has no future. But it can, and already does, cause harm.

The extent of this harm will, of course, depend largely on how long this policy holds out and how actively they succeed in implementing it. These questions are still open. And not only because there is much which is simply unrealistic in the "Carter doctrine." No less important is the fact that, with the proclamation of this doctrine, the struggle over the main trends in the development of international relations does not end, but flares up with new vigor.

No one should have any doubts as to the stand which the USSR will take in this struggle. In his speeches, Comrade L. I. Brezhnev has stressed that, in firmly rebuffing aggression, the Soviet Union will at the same time unswervingly follow the peace program advanced by the 24th and 25th CPSU congresses, consistently pursue a policy of peace and detente and strive for amrs limitation and the peaceful settlement of existing conflicts. "We set the doctrine of a consistent struggle for peace and security on earth against the 'doctrine' of milirary hysteria and a frenzied arms race," Comrade L. I. Brezhnev stressed.

The other socialist states will be with the Soviet Union in this struggle. It will meet with broad support among the developing countries.

Many European capitalist countries and Japan do not want a return to cold war either. This can be seen already. Changes in political mood can also be expected in the United States itself. The Americans have been kept in a state of almost permanent political crisis since last September. Although this seems to have improved the President's chances in the forthcoming elections, the country can scarcely be successfully kept in this state indefinitely.

No one expects the Americans and their allies to approve of the April revolution in Afghanistan and the aid the Soviet Union rendered it. But as the dust settles from the anti-Soviet campaign, which has now been unleashed, an atmosphere conducive to sober thought will take shape. In this atmosphere it will be easier to see all events in their true proportions, to assess and resolve them sensibly; just because you do not like something, is it worth it to destroy and smash everything necessary and vitally essential—hopes for lasting peace and the cessation of the arms race, detente and mutually advantageous cooperation? Especially since, despite the panic-stricken assertions of U.S. propaganda, no one will see Soviet tanks and soldiers on the shores of the Persian Gulf or other warm-water seas?

It is to be presumed that not much time will be needed for people to realize the full monstrous absurdity of what Washington is now doing in Soviet-U.S. relations. But it must be said here that the U.S. administration is not hesitating--it is destroying and smashing outright, with some glee, what was created at the price of prolonged and persistent labor. It is as though they have long been dreaming of this, merely waiting for the occasion to present itself." Great harm has bee done to the arms limitation talks, in which the United States has no less an interest than the Soviet Union. Economic and cultural relations have been put back, the accord on direct air communications is being violated, many measres in scientific cooperation are being disrupted and an atmosphere is being fueled which is directly inciting criminal hooligan attacks by anti-Soviet groups. All this harms not only Soviet interests but U.S. interests as well. What was gathered literally crumb by crumb--some minimal stock of mutual trust and understanding, without which it is so hard to build normal relations--has suffered seriously. All this, it must be said, is being done very swiftly and efficiently. After all, destroying is not the same as building!

But there is nowhere to go along this path. And it is important to Washington to think seriously about this. Ultimately a policy should have a goal. After all, a course which has already been tested and proven bankrupt in the early 1970's is being offered for the 1980's. There will scarcely be many people, and that also goes for the Americans and their allies, willing to travel this path again under even more dangerous conditions.

An extremely crucial moment is coming in international relations. The fate of peace depends largely on whether the aggressive U.S. circles' new adventures and their obvious intention to revert to the cold war meet with a fitting rebuff.

FOOTNOTES

1. V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 44, p 287; vol 45, p 70.

2. THE NEW YORK TIMES MAGAZINE, 1 April 1979, p 68.

3. "Detente or Debacle: Common Sense in U.S.-Soviet Relations," N.Y., 1979, pp 48-49.

4. G. Kennan, "The Cloud of Danger." For a Russian translation, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1979, pp 92-93.

5. TIME, 4 February 1980, p 14.

6. "The SALT-II Treaty," Hearings Before the Committee on Foreign Relations, U.S. Senate, Wash., 1979, pt IV, p 282.

CSO: 1803

NEW PHASE IN AMERICAN-BRAZILIAN RELATIONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 55-63

[Article by P. G. Litavrin and P. P. Yakovlev]

[Text] Considerable changes have taken place in the last 3 years in the relations between the two largest states of the Western Hemisphere: the United States of America and the Federative Republic of Brazil. Essentially these changes have consisted in the exacerbation of conflicts in the spheres of military policy, trade and economics. The significance of these changes extends far beyond the bounds of bilateral U.S.-Brazilian ties, as they are having a perceptible effect on relations between the two Americas and between the West and the developing world as a whole.

A new kind of relationship between the United States and Brazil took shape at the beginning of the 1970's, based on Washington's policy of subimperialism. Its purpose was the energetic U.S. utilization of the strongest states in Asia, Africa and Latin America, with reactionary and conservative regimes in power, as transmitters of imperialist policy in these regions. The new U.S. line in relations with Brazil pursues the goal of involving it in the struggle against the liberation movement in Latin America and turning the Brazilian regime into a protector of U.S. interests. To this end, extensive use was made of Brazil's political weight and influence in Latin America, its growing economic strength, its intelligence and repressive systems and its willingness to use military force. At the same time, American policy reserved Brazil a certain degree of independence in world affairs, which was a direct result of its growing economic and military potential and the great-power ambitions of its ruling circles.[1]

The new U.S.-Brazilian relationship reached the height of its development in the first half of the 1970's, when the Republican Administration was in power in the United States.

First of all, in accordance with the principles of the "Nixon Doctrine," it was Brazil that was assigned the main role in the struggle against the liberation movement in Latin America. The participation of the Brazilian regime in preparing for and conducting reactionary coups in Bolivia, Chile and Uruguay conclusively demonstrated its willingness to play an active counterrevolutionary role. The uninterrupted functioning of the economic "model of development" in Brazil was of equal importance to the United States as an alternative to the attempts of several Latin American countries to eradicate their dependence on imperialism and gain real economic independence. Counting on Brazil to promote imperialist policies, the United States took the desires of its leading circles for leadership in the region into account. It is therefore not surprising that R. Nixon said the following in December 1971, at the time of Brazilian President E. Garrastazu Medici's U.S. visit: "As Brazil goes, so goes the rest of Latin America."[2]

Striving to carry out its plans, the United States has given Brazil strong financial support. The following data are extremely indicative: Average annual investments by foreign monopolies in Brazil were 70 million dollars in 1960-1964, and 770 million in 1972-1974--that is, 11 times as great. Between 1960 and 1964 Brazil received an average of 350 million dollars a year in foreign loans, but the indicator in 1972-1974 was 5.1 billion--that is, almost 15 times as high.[3] Not one nation in the developing world has ever been the recipient of such huge dollar "injections." Loans and credit unprecedented in scale have been extended to Brazil by U.S.-controlled international capitalist banks and finance organizations: the International Monetary Fund, the International Bank for Reconstruction and Development and the Inter-American Development Bank. There is no question that the all-round support of the United States and other Western countries played the deciding role in strengthening the authority of the present military-technocratic regime.

In the 1970's, Brazil actually became the U.S. monopolies' chief base of operations, not only in Latin America but in the developing world as a whole. Between 1970 and 1977, for example, the investments of U.S. corporations in Brazil rose from 1.9 billion dollars to 6 billion, which represented over 17 percent of their total investments in the developing countries and over 21 percent of their Latin American investments.[4] By firmly establishing themselves in Brazil and, in particular, by penetrating deeply into Brazilian Government and private firms, U.S. corporations acquired additional opportunities for expansion in dozens of developing states and even some developed capitalist countries, thereby reinforcing the international positions of the United States and enhancing the competitive potential of the American economy.

Brazil's metamorphosis into the "privileged ally" of the United States in this region allowed Washington to reduce its direct participation in the struggle against the Latin American liberation movement while still hampering--in some areas--the advance of patriotic and anti-imperialist forces. In exchange for this, Washington continued to not only give the Brazilian regime considerable financial aid, but also to support its great-power ambitions, which became particularly apparent in February 1976, at the time of the signing of the U.S.-Brazilian "mutual understanding memorandum," in accordance with which the United States began to regard Brazil as a "great power" and promised to conduct summit-level political consultations with it.[5]

The signing of this document was assessed in diplomatic circles as recognition de jure of the special nature of U.S.-Brazilian relations and as a judicial announcement of the political alliance that had developed between the two countries. Subsequent events showed, however, that the U.S.-Brazilian "partnership" was threatened by serious internal conflicts, which became quite distinct at the end of the 1970's.

The new realities of U.S.-Brazilian relations, with which the Carter Administration had to deal, were largely the result of a relative reduction in Brazil's trade, economic, military and political dependence on the United States, which led to a change in the balance of power between them.

An important factor with an increasing effect on the nature of U.S.-Brazilian relations is indisputably the general growth of Brazilian economic potential. For example, whereas the 1950 gross domestic product (GDP) in Brazil (in constant 1970 prices and in terms of the actual purchasing power of currency) was slightly over 6 percent of the corresponding U.S. indicator, the figure had risen to over 16 percent in 1976. Moreover, in terms of GDP, which reached 200 billion dollars in 1979, Brazil is ahead of even such large developed capitalist states as Great Britain, Italy and Canada.[6]

At the same time, the diversification of Brazil's foreign economic ties considerably reduced the U.S. share of its foreign trade turnover: from 33-35 percent in the mid-1960's to 20 percent in the mid-1970's.[7] The one-sided economic dependence on the United States is also being weakened by the expanded activities of Western European (primarily West German) and Japanese monopolies in Brazil. In the 1970's the growth rate of investments in the Brazilian economy by American international corporations was already lagging behind the growth rate of the capital investments of West German and Japanese monopolies. During special hearings in the U.S. Congress, it was noted that the rate of increase in Japanese investments in the Brazilian economy in the first half of the 1970's was 5 times as high as the rate of increase in U.S. investments.[8] As a result, the share of the U.S. monopolies in total foreign investments in Brazil decreased from 48 percent in 1969 to 32 percent in 1977 and is still diminishing. Western European and Japanese rivals have presented branches of American international corporations with serious competition in such key branches of the Brazilian economy as the chemical industry, electrical engineering, the automotive industry and metallurgy. The priority of U.S. monopolies in some other branches has also been threatened. To compete with American international corporations, Western European and Japanese monopolies often offer their partners more advantageous terms and, as a result, are taking over more and more of the Brazilian market.[9]

These facts indicate that the forces most closely connected with Western European and Japanese capital are acquiring more influence in the camp of the Brazilian bourgeoisie. The development of this tendency will most certainly lead to the gradual renunciation by Brazilian ruling circles of their unconditional "emulation of Washington" and to a search for new foreign policy alternatives.

An important symptom of the decline of U.S. hegemony was Brazil's departure from its excessive emulation of Washington in foreign policy matters, which was particularly apparent in the noticeable reduction of the U.S. share of total Brazilian purchases of foreign weapons. According to the data of the American Arms Control and Disarmament Agency, for example, Brazil purchased 690 million dollars' worth of military equipment abroad between 1967 and 1976, and the U.S. share of this amount was 300 million, or less than 45 percent, whereas its share was 70-75 percent in the 1940's and 1950's.[10] At the end of the 1970's, however, Brazil turned into a large exporter of weapons itself, exporting them to 33 countries for a sum exceeding 800 million dollars a year.

A severe blow was dealt to U.S. hegemony by the conclusion of the Brazilian-West German nuclear agreement in June 1975, in accordance with which West German monopolies will build two large nuclear power stations in Brazil by 1985 (and, possibly, another six by 1990), as well as a plant for the production of nuclear fuel, a regeneration installation and a plant for the concentration of uranium. This means that if this agreement is carried out, Brazil will have a full nuclear fuel cycle, as a result of which, as we know, it will be able to acquire plutonium for the development of an atomic weapon. Brazil is not party to the Treaty on the Nonproliferation of Nuclear Weapons. This fact, which arouses completely justified worries about the Brazilian-West German bargain, became the pretext for pointed criticism of the agreement in the United States,[11] particularly since Brazilian ruling circles have declined to sign the Nonproliferation Treaty but they also have not concealed their desire to gain the status of a nuclear power.

But there is also another reason for Washington's worries. The fact is that the Brazilian-West German agreement has weakened the position of U.S. monopolies in the world market for nuclear technology and they have lost extremely sizable orders (this transaction is valued at 12 billion dollars). It is indicative that U.S. monopolies accounted for 85 percent of all exports of nuclear equipment from the capitalist countries prior to 1972, but the figure had dropped to 42 percent by 1977.[12] Therefore, even in this area there has been an obvious change in the balance of power, and not in the United States' favor.

The broadening of foreign economic horizons has also been accompanied by a sharp increase in Brazilian foreign political contacts. In just 3 years (1974-1976), this country opened 26 new embassies outside the Western Hemisphere and signed 240 bilateral agreements with 56 states.

The development of relations with the socialist community is of particular importance. Brazil's commodity turnover with these states, for example, rose from 171 million dollars in 1970 to 1.03 billion in 1976--that is, 6-fold--which considerably surpassed the growth rate of Brazilian foreign trade as a whole.[13]

The broader contact with the socialist community testifies to the gradual departure of Brazilian ruling circles from the reactionary foreign policy theories with which they armed themselves in the mid-1960's and are necessitating certain adjustments in diplomatic practices. It is indicative that the idea of "responsible pragmatism" declared by the Brazilian Government in 1974 in foreign policy was interpreted in the United States not only as a desire to "gain markets in the socialist states," but also as a departure from "militant anticommunism."[14]

It should be stressed that the desire of Brazilian ruling circles to diversify their foreign economic and political contacts was partly due to the crisis of the Brazilian "model of development," which offered the possibility of considerably accelerating rates of economic growth but simultaneously led the nation into a blind alley of unprecedented economic and financial dependence on international monopolistic capital and on transnational corporations. By the end of 1979 the Brazilian foreign debt amounted to 48 billion dollars. In this context, the broadening of commercial contacts with the socialist community not only introduces new features into U.S.-Brazilian relations, but also strengthens Brazil's international position as a whole by familiarizing it with a system of world economic relations free of inequality and exploitation.

In the second half of the 1970's, Brazil also instituted much more active relations and contacts with other developing countries. It began to play a more important role in the "Group of 77" and its desire to become the leader of the developing world was seen more distinctly. This is attested to by certain steps taken by this nation, such as its vote in favor of the reorganization of international economic relations, its condemnation of Israeli aggression and racism from the UN rostrum and its establishment and development of relations with the People's Republic of Angola. There is no question that these actions of the "privileged ally" are contrary to the interests of U.S. imperialism. Dramatizing the situation somewhat, the NEW YORK TIMES reported in this connection that, in the middle of the 1970's, "the United States and Brazil disagreed on key economic international issues."[15] In reality, naturally, things are quite different. Nonetheless, new tendencies in Brazilian foreign policy are arousing increasing anxiety in Washington.

In view of all these facts, several prominent American politicians and researchers, particularly Z. Brzezinski and R. Fontaine, believe that Brazil is turning into a local "power center"--that is, into a country with considerable economic and military potential, as well as growing political influence and--due to the relatively high level of diversification in foreign contacts--a certain degree of independence and freedom of movement in the world arena.[16] According to Z. Brzezinski, Brazil, by virtue of its tremendous quantities of natural and human resources, has more chance of becoming a "superpower" than, for example, Japan.[17]

A new approach to Brazil was also necessitated by the exacerbation of U.S. relations with the developing countries in the 1970's. American political thinkers began to regard Brazil not only as the most important and most successful developing country, but also as a budding "great power," occupying a unique intermediate position with part of its interests connected with the developing world and part with the West. Under these conditions, according to A. Fishlow, prominent American expert on Latin American affairs, U.S. policy is aimed at "cutting off" Brazil from the mainstream of the developing countries and completely "uniting" it with the West.[18]

But the United States' attempts to keep Brazil as the West's ally in its sphere of influence met with serious obstacles stemming from the peculiarities of the internal development of this nation and the policies of the ruling regime, which has its own interpretation of Brazil's objectives and place in the world.

In addition, J. B. Figueiredo, new president of Brazil, stressed in an interview with the Mexican journal VISION that his government adhered to the principles of diplomatic pluralism presently lying at the basis of the further establishment and expansion of Brazilian foreign political contacts, and spoke in favor of broader contacts with the socialist and developing countries.[19]

Nonetheless, Washington made an attempt to counteract Brazilian foreign policy trends undesirable to the United States.

First of all, Washington tried to prevent the total implementation of the Brazilian-West German nuclear agreement. Immediately after the Democrats took power, U.S. Vice President W. Mondale met with FRG Chancellor H. Schmidt and suggested changes in the parts of the agreement which pertain to the provision of Brazil with the technology and equipment for the concentration of uranium and the regeneration of spent fuel. In response to this demarche, Bonn announced that any change in the agreement would have to be initiated by Brazil and that the FRG had no intention of amending the document and would not even try to discern the Brazilian Government's views on this matter.

For the same purpose, U.S. Deputy Secretary of State W. Christopher went to Brazil at the end of February 1977. His trip did not produce the desired results either.

At that same time, the Carter Administration launched a campaign in "defense of human rights" against Brazil, stressing that its approach to the Brazilian regime was different from the policy of the Republicans. Whereas in 1976 the United States was trying to keep Brazil within its orbit of influence by signing the "memorendum on mutual understanding," Carter announced that he did not regard this nation as the leader in Latin America because the regime in power did not respect human rights.[20] (This, incidentally, is the truth and has been discussed by the world public.) The United States simultaneously cut off military aid to its southern partner.

In continuing to regard Brazil as an "object of its policy," the United States obviously did not believe that it would "accept the challenge." In response to Washington's pressure, the Brazilian regime canceled the military agreements it had concluded with the United States back in 1952. Although these agreements were outdated and were not of any great importance to Brazil, their cancellation pushed U.S.-Brazilian relations into the zone of obvious crisis, which became even more acute when the United States held up shipments of nuclear fuel for the first Brazilian nuclear power station, built by the American Westhinghouse Electric company.[21]

It is possible that Brazil's cancellation of the military agreements was a surprise to the White House, which most probably did not want to exacerbate bilateral relations to this degree, but it is also apparent that the United States was deliberately complicating these relations by attempting to exert pressure on Brazil.

The exacerbation of U.S.-Brazilian relations aroused pointed dissatisfaction in the U.S. circles which still regard Brazil as Washington's "privileged ally" in Latin America. In particular, reports in the American press expressed the misgiving at that time that White House policy would so alienate Brazil from the United States that it would restore its relations with Cuba and even work toward a "military pact with the Russians."[22]

Encountering a more resolute Brazilian position than it had expected and opposition within the country, the White House changed its tactics. In April 1977, J. Carter proposed a compromise in the form of an international agreement on the provision of such countries as Brazil with nuclear fuel. But this idea did not arouse any enthusiasm in Brazil or in the FRG. Moreover, Bonn sent the Brazilian leaders a special message to reaffirm its intention to completely fulfill all points of the agreement. This dealt a severe blow to the Washington Administration's maneuvers.

Considerable changes in White House views became apparent after the American President's meeting with other Western leaders in London (May 1977). It was after this meeting that Washington, according to the American press, recognized the Brazilian-West German agreement as an established fact.[23] The White House simultaneously took steps to normalize relations with Brazil: In the middle of May 1977, Assistant Secretary of State T. Todman for inter-American affairs visited Brazil, and in July of the same year Carter sent a personal message to President E. Geisel, which was interpreted in diplomatic circles as an attempt to smooth out American-Brazilian conflicts. Finally, in November 1977, Washington lifted the ban on shipments of nuclear fuel to Brazil.

But the deterioration of U.S.-Brazilian relations, the absence of tangible results from the pressure exerted on Brazil and the mounting criticism within the United States itself of the administration's behavior in this matter called for more effective measures. In March 1978, President J. Carter went to Brazil.[24] During this visit, debatable issues--the nuclear agreement with the FRG and the "human rights" issue--were actually removed from the agenda of the talks with the Brazilian leadership. The American President even tried to remove these issues from the framework of bilateral relations and to focus attention on the two countries' areas of convergence by describing the complications in their relations as temporary. "The important factors connecting us with Brazil outweigh our differences," Carter said. He was forced, however, to admit that conflicts did exist in U.S.-Brazilian relations.[25]

American theoretical thought in recent years has focused on a search for ways of smoothing out the conflicts in relations with Brazil and finding new methods of exerting influence on this "obstinate" partner. Ideas about the need for internal political change in Brazil are becoming quite popular in U.S. ruling circles and the scientific community, and this should be a change followed by Brazilian foreign policy modifications acceptable to the United States. On the whole, this change has been associated with the gradual return of the nation to civilian rule or some liberalization of the regime.

The American ideas and theories regarding the liberalization of Brazil and the establishment of a bourgeois democratic order there in the future prove that neither official Washington nor the overwhelming majority of American political scientists have ever supported the true democratization of the government in this Latin American country, but simply want to "coordinate" domestic changes in this country with U.S. global objectives.

Many researchers and politicians in the United States have noted that the authoritarian nature of the Brazilian Government is already hampering its closer partnership with the Western democracies and its further economic and political development. The strategists of American imperialism, such as Z. Brzezinski and the experts on the Trilateral Commission, and the leaders of the European social democrats might, in principle, want to see a more "trustworthy" political system in this country, strengthen the position of the Brazilian national bourgeoisie and direct Brazilian development into the channel of bourgeois parliamentarism to prevent any possibility of a "violent change" within the nation in an "unpredictable direction." This, as American researcher E. Gaspar admits, is the reason for the criticism of the violation of human rights in Brazil, for statements that "success in economic development does not justify the violation of democratic freedoms" and the appeals for liberalization.[26] It is clear that Washington will indisputably have to consider objective trends in Brazil's internal political development—the increasing thirst for democratization in all population strata, the increasing strength of opposition forces and the growth of the workers movement.

The pressure exerted by Washington on Brazil for the purpose of liberalizing the regime was actually weak and intermittent. By the end of 1977 the administration had already demonstrated that it was prepared to be satisfied with the Brazilian military leadership's most insignificant steps to liberalize the regime. In fact, the presidents of the two countries exchanged messages expressing their agreement on the human rights issue. When the new government took power in Brazil (March 1979), Washington took an even softer stand. The new president of Brazil, J. B. de Oliveira Figuereido, promised to establish "relative democracy" in the nation and restore the civilian government in the future; he announced several liberalization measures (the relaxation of censorship, the authorization of some strikes, and amnesty); Washington did not delay in expressing its satisfaction. Moreover, when U.S. Vice President W. Mondale visited Brazil in March 1979, he announced "total support for the domestic policy of the new government and its ideological position." The American press and official documents began to make frequent reference to the "improvement of the human rights situation" in Brazil, and the slight liberalization was extolled as a result of U.S. policy.[27]

The groundlessness of these statements is self-evident. It should be stressed that the recent changes in Brazil have resulted primarily from the nation's internal development, the persistent struggle of the masses for the restoration of democracy, the consolidation of forces opposing the dictatorship and the support of these forces by world progressive public opinion. The fact that Washington hastened to express "total" support for the domestic policy of the new Brazilian Government only underscores the hypocrisy of its campaign "in defense of human rights."

The two faced position of the Democratic Administration, reflected when it, on the one hand, expressed its displeasure with extremes and "excesses" in the policy of the Latin American dictatorship and, on the other, worries that their fall will be followed by "excessively rapid democratization," provides grounds for discussing Washington's latest "new" strategy in this region. According to increasingly frequent references in American political literature, the present purpose of U.S. policy toward Brazil or the other Latin American rightist authoritarian regimes is their gradual and painless (for Washington's interests) replacement with "moderate regimes."[28]

Another telltale fact is that, despite the complications that spring up in U.S.-Brazilian relations, the question of establishing a South Atlantic Treaty Organization (SATO) under the aegis of the United States has not been removed from the agenda. According to Washington strategists, Brazil will be expected to play far from the least significant role in this organization. The question of creating SATO was also discussed at the Atlantic conference in Brazil in November 1978, which was attended by prominent representatives of the U.S. military-industrial complex, presidential National Security Adviser Z. Brzezinski, Assistant Secretary of State V. Vaky and politicians from Argentina and Brazil. Facts of this kind testify to Washington's intention to find new ways of resuming and expanding military cooperation with Brazil. There is evidence, however, that these plans have not been supported by the Brazilian regime as yet. For example, when a governmental delegation from Angola visited Brazil in March 1979, the Brazilian minister of foreign affairs assured its members that his nation would not be a member of SATO. Moreover, at the 34th Session of the UN General Assembly in September 1979, the Brazilian delegation actively supported the need for disarmament.

In the second half of 1979, new signs of U.S.-Brazilian rapprochement were seen. The efforts and initiatives of the present American Administration have recently been aimed in this direction. The first steps of the new Brazilian Government, headed by General J. B. Figuereido, proved that he was more likely than his predecessor to favor a continued close alliance with the United States.

On the whole, Washington policy has recently displayed a tendency toward "equilibrium" in relations with Brazil and a shift of emphasis from disputed issues to issues reflecting the common class views of the American and Brazilian bourgeoisie.

At the same time, it is obvious that, in spite of Washington's maneuvers, the tension in the sphere of trade and economic ties has not abated and is even escalating. Pointed dissatisfaction was aroused in Brazil in October 1979 by U.S. measures to raise loan interest rates, which would automatically increase the Brazilian foreign debt by another 500 million dollars. Washington also failed in its attempt to exert pressure on Brazil to curtail previously contracted shipments of grain to the USSR in connection with its absurd campaign against "Soviet intervention in Afghanistan." Representatives of the Brazilian Ministry of Agriculture announced that Brazil would preserve its independent policy in foreign trade and would not support the measures proposed by the U.S. Government.

This state of affairs, in our opinion, indicates that an extremely solid and broad sphere of conflict has come into being and is still growing in U.S.-Brazilian relations, although the entire group of conflicts does not transcend the bounds of the class alliance between the U.S. monopolistic oligarchy and the Brazilian bourgeoisie. It is also apparent that U.S.-Brazilian relations are experiencing crisis and that ruling circles in both countries are making an effort to find a new kind of partnership corresponding to the realities of the present day.

FOOTNOTES

1. Luis Carlos Prestes, "The Foreign Policy Concepts and Goals of Brazilian Subimperialism," LATINSKAYA AMERIKA, No 6, 1976.

2. THE DEPARTMENT OF STATE BULLETIN, 3 January 1972, p 13.

3. "Brazil in the Seventies," edited by R. Roett, Washington, 1976, p 95.

4. SURVEY OF CURRENT BUSINESS, August 1978, p 28.

5. For more detail, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 7, 1976, pp 79-83.

6. Calculated according to MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 5, 1979, pp 147, 148.

7. "Statistical Abstract of Latin America," vol 19, Los Angeles, 1978, p 305.

8. "U.S. Economic Relations with Latin America," Hearings Before the Subcommittee on Inter-American Economic Relationships of the Joint Economic Committee, Washington, 1977, p 147.

9. BUSINESSWEEK, 7 October 1972, p 44.

10. "World Military Expenditures and Arms Transfers 1967-1976," Washington, 1978, p 160; "Latin America," Hearings Before the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Relations, U.S. Senate, Washington, 1979, p 118.

11. ORBIS, Summer 1977, pp 285, 286.

12. CONGRESSIONAL RECORD, 12 May 1977, p E 2964.

13. "Statistical Abstract of Latin America," vol 19, p 305.

14. CURRENT HISTORY, January 1975, p 8.

15. THE NEW YORK TIMES, 20 February 1976.

16. J. Theberge and R. Fontaine, "Latin America: Struggle for Progress," Lexington-Toronto, 1977, pp 45, 121.

17. For more detail, see A. A. Kokoshin, "O burzhuaznykh prognozakh razvitiya mezhdunarodnykh otnosheniy" [Bourgeois Forecasts of the Development of International Relations], Moscow, 1978, p 143-146.

18. FOREIGN AFFAIRS, Winter 1978/79, p 389.

19. VISION, 17 November 1978, p 15.

20. THE NEW YORK TIMES, 16 January 1977.

21. Ibid., 20 March 1977.

22. ORBIS, Fall 1977, p 551.

23. THE WASHINGTON POST, 10 May 1977.

24. For more detail, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1978, pp 68-69.

25. THE DEPARTMENT OF STATE BULLETIN, May 1978, p 7.

26. E. Gaspar, "United States-Latin America: A Special Relationship?" Stanford, 1978, p 82.

27. CURRENT HISTORY, vol 76, No 444, 1979, p 87; "Latin America," Hearings..., p 41.

28. WORLD POLITICS, July 1978, pp 605-606.

8588
CSO: 1303

PRESERVATION AND REVITALIZATION OF HISTORICAL BUILDINGS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 64-77

[Article by A. V. Ikonnikov]

[Not translated by JPRS]

CSO: 1803

THE 'CHINA FACTOR' IN WASHINGTON'S FOREIGN POLICY ADVENTURES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 78-84

[Article by B. N. Zanegin]

[Text] The beginning of the current year in American-Chinese relations was marked by the U.S. secretary of defense's trip to the PRC (5-13 January 1980). The mass media in the United States and Beijing's propaganda machine did everything within their power to exaggerate the significance of these first U.S.-Chinese military contacts. Propaganda in both countries depicted them as the beginning of a far-reaching rapprochement and as an emergency measure supposedly taken in response to the "Soviet threat" to U.S. and PRC interests in Asia.

Behind the facade of this propaganda campaign, we can find the multifaceted and far from always identical interests of aggressive imperialist circles in the United States and the Beijing pretenders to hegemony in Asia. In this connection, it would be expedient to examine H. Brown's visit to the PRC and the present phase of U.S.-Chinese relations against the background of the situation that had taken shape in the United States by the beginning of the 1980 campaign, in the context of the changes the Democratic Administration is making in foreign policy and with consideration for some specific features of the domestic situation in the PRC and its international position.

The considerations that must now be taken into account by the United States include the well-known fact that the struggle of the increasingly unpopular President J. Carter for re-election is being waged in an atmosphere of mounting internal crisis, with which, as more and more American voters are now aware, the Democratic Administration cannot cope. The high rate of inflation, the constant rise in consumer prices, the unemployment and the arbitrary escalation of gasoline and heating fuel prices by the oil monopolies are directly affecting the vital needs of the American general public.

The internal crisis has been accompanied by considerable setbacks or, in essence, failures in American diplomacy. The weakening of U.S. foreign policy positions in the Arab world as a result of the Camp David agreement, the lack of success in establishing American control over Mexican oil resources, the failure of steps to prevent national liberation revolutions and progressive social reforms in the liberated countries, particularly Afghanistan, the crisis instigated by the administration in relations with revolutionary Iran, which evoked an outburst of anti-American feelings throughout the Moslem East--this is far from a complete list of the foreign policy errors of the Democratic Administration, connected with attempts to conduct an active interventionist course without adequate consideration of changes taking place in the international arena and the actual capabilities of the United States.

These foreign policy errors were part of the reason for the energization and expansion of the conservative opposition to President Carter and his administration. Reflecting the growth of chauvinist feelings in the nation, which came into being soon after the failure of the American military adventure in Indochina, the conservatives have criticized the foreign policy line of the administration and accused the President of "weakness" in dealing with the "Soviet threat" and of conducting a "conciliatory" policy. The conservative opposition has tried to overcome the "Vietnam syndrom" in U.S. foreign policy--that is, the refusal to learn a lesson from the defeat in Vietnam and the institution of a tough policy toward the Soviet Union. The conservative platform has included demands to make detente, particularly the ratification of the SALT II treaty, conditional upon the "willingness" of the USSR and other socialist countries to deny assistance to progressive regimes in liberated countries such as Angola, Ethiopia and Afghanistan, and to use the anti-Sovietism of the Chinese leadership as a means of exerting pressure on the Soviet Union.

After encountering insurmountable difficulties in domestic affairs, President J. Carter resorted to a tried and tested method--the escalation of international tension to divert the attention of the Americans away from internal problems and the government's inability to cope with them. The leadership of the Democratic Party centered their campaign strategy around a sharp shift to the right in foreign policy and actual capitulation to the conservative opposition in the question of detente in U.S.-Soviet relations and East-West relations. In connection with this, the American Administration borrowed the chief components of the conservative foreign policy platform, including alliance with all international forces hostile to detente.

In several speeches in December 1979 and January 1980, J. Carter set forth a new foreign policy program for America. In accordance with this program, national foreign policy would be directed into a new channel--a channel the American press hastened to call the "second cold war." Statements by top-level representatives of the administration and subsequent actions in the international arena left no room for doubt that Washington was renouncing its previously declared foreign policy objectives (detente in relations with the East) and priorities (an agreement on strategic offensive arms control); the promise to be guided by the principle of "negotiation instead of confrontation" was consigned to oblivion; the administration returned to the characteristic cold war tactics of ultimatums, flagrant pressure, threats and blackmail.

The new policy line revolves around a five-year plan of unprecedented augmentation of military strength in the area of strategic and conventional weapons. The purpose of this well-known militaristic program is not being concealed. It consists in establishing a material basis for dictatorial policy in the world arena, in achieving absolute supremacy over probable opponents and in creating special means of direct U.S. military intervention in any part of the world where the positions of U.S. monopolistic capital might be threatened by progressive, anti-imperialist forces. It envisages the intensification and expansion of the global system of American imperialism's support points and the extension of its primary function of "containing communism" to the developing countries, where the struggle for independence and a just international economic order is interpreted by U.S. ruling circles as something undermining the bases of contemporary capitalism.

This plan includes a return to the active base strategy, the considerable expansion of the network of American military bases outside the United States as the foundation of permanent American military presence close to possible crisis zones, the revitalization of existing alliances and the creation of new military-political blocs, including unnatural alliances between aggressors and their victims (Israel-Egypt) and between liberated people and imperialist countries (PRC-United States and Japan). Finally, Washington has been searching for new "proxies" to perform police services with American weapons in various parts of the world, such as the services performed until recently by the shah's Iran in the Persian Gulf zone.

Brown's visit to the PRC is an important component of the new U.S. foreign policy line. There is every reason to believe that the secretary of defense's instructions from the White House included the mission of sounding out Beijing as to the possibility and limits of PRC involvement in Washington's projected system for the "containment of the Soviet Union." At the same time, the U.S. secretary of defense's visit to the PRC represented a definite stage in the development of U.S.-Chinese relations, characterized by several extraordinary circumstances.

The modified Maoist leadership, which took shape in 1976 after Mao Zedong's death, set forth a plan for "four modernizations" once drawn up by Zhou Enlai--this is a program aimed at familiarizing the billions of people in China, one of the poorest countries in the world, with the riches of contemporary civilization. For one reason or another, however, primarily in connection with the Chinese leaders' ambitions for hegemony in Asia, the primary objective turned out to be the modernization of the Chinese armed forces, which is absorbing the lion's share of the PRC's efforts and meager financial resources.

The failure of the punitive expedition to Vietnam in the beginning of 1979, which revealed China's military weakness, provided the militant faction in the Beijing leadership with a new motive to accelerate the militarization of the country and, above all, to equip the armed forces of the PRC with modern offensive means, thereby establishing the necessary conditions for the broader use of military power beyond China's borders.

In this sphere, the Chinese leaders, who do not have their own scientific, technical and industrial base, are counting on Western assistance, offering support for the anti-Soviet aspects of Western policy as payment. Immediate measures to rearm Chinese ground forces, the navy and air force include the well-known attempts to place weapon orders in the Western European countries and Japan--orders for weapons ranging from fighter-intercepters, tanks and missile equipment to automatic infantry armaments.

The Chinese leaders would also like to acquire weapons from the United States (they have expressed this wish to representatives of the Washington Administration on numerous occasions). As yet, the American Government has refrained from selling China means of destruction. By relaxing the requirements for the issuance of licenses for strategic items and urging its Western allies and Japan to do the same, however, the Carter Administration has given Beijing an opportunity to purchase electronic and electrical engineering equipment, equipment for guidance systems, nuclear technology, precision instruments and special materials, lasers and even the key components of nuclear warheads in the West. According to the forecasts of the ARMED FORCES JOURNAL INTERNATIONAL (February 1979), by the end of the 1980's the Chinese leadership will possess a new generation of effective offensive strategic weapons numbering in the thousands. This new arsenal, built up with considerable assistance from the United States and other Western countries, will replace, according to the journal, the present ineffective, vulnerable and negligible nuclear forces. The validity of this forecast is corroborated by press reports regarding the successful testing of the CSS X-4 intercontinental ballistic missile with a range of 9,500-10,500 kilometers in the PRC (in 1979 at least six such tests were conducted).

In connection with this, note should be taken of the fact well known in Washington--that this program for the rapid buildup of military strength is being carried out in a country which just recently experienced an acute political crisis, the consequences of which have not been overcome as yet. The CCP leadership is being torn apart by conflicting views in regard to China's future development, its foreign policy is at a crossroads, and it is unlikely that anyone would be bold enough to predict its next zigzag. The vigorous anti-Soviet course conducted by the so-called "pragmatic leadership" is at least partially due to tactical considerations--the desire to make use of the adventuristic plans of J. Carter and his advisers to play the notorious "China card" for the purpose of implementing its own anti-Soviet military and political ideas and gaining preferential payment terms for armament deliveries from the developed capitalist countries.

The Chinese supporters of the one-sided reliance on the West, however, are faced by a sizable opposition. It includes, on one side, the particular substratum of the population and leadership which has retained its unwavering leftist radical views despite the "pragmatic leadership's" efforts to overcome them. Moreover, it would be logical to assume that leftist radical anti-Americanism in China is being stimulated by large anti-imperialist movements such as the Iranian revolution with its primarily anti-American goals. On the other side, there are individuals among the "pragmatists," dominant in the leadership, who contrast Deng Xiaoping's one-sided pro-Western political line with a more carefully considered line, aimed at the development of multilateral international cooperation for the purpose of the accelerated modernization of China. Apparently, the Soviet Union has not been excluded: The experience of the 1950's made many Chinese who are now working in governmental and economic administrative positions aware that Sino-Soviet cooperation would be expedient for the PRC.

American diplomacy is trying to take the peculiarities of this situation and the balance of political power in the PRC into account. American political thinkers long ago drafted plans for the creation of a pro-American substratum in the PRC leadership and intelligentsia, similar to the one which existed in Kuomintang China and made it easier for American monopolistic capital to infiltrate the country and manipulate its foreign policy. Beijing's extreme interest in American assistance in these "modernizations" and, in particular, the military reinforcement of China, makes the present time the most convenient for putting these ideas to work. By helping the "pragmatists" in a crucial matter (the creation of substantial modern armed forces, including strategic offensive armaments) and indulging them in their Sinocentric (hegemonistic) plans, American diplomacy hopes to establish the pro-American faction in power in Beijing, impede Sino-Soviet normalization and establish the prerequisites for the use of the PRC as an American policeman in adjacent regions.

The results of H. Brown's visit illustrate the desire of American diplomacy to develop this field of relations. Judging by announcements by the two sides and reports in the press, specific agreements have been reached on military cooperation.

The United States has agreed to supply China with all the necessary equipment for tracking artificial satellites like the Landsat-D for the purpose of processing photodata transmitted from orbit. The equipment includes components intended for decoding military information. Moreover, the American Administration's statements in regard to this transaction stressed that the possibility of military usage would no longer stand in the way of shipments of weapons to the PRC.

The two sides agreed to expand military contacts on various levels and, in particular, a visit to the United States by a Chinese delegation headed by Geng Biao, the member of the CCP Central Committee Politburo who is responsible for the military preparedness of the nation, was planned.

American and Chinese representatives also agreed on joint or parallel military measures against third countries, such as Vietnam, Kampuchea and Afghanistan. The discussion concerned, firstly, the offer of direct military assistance to Thailand and Pakistan to keep these states from becoming beachheads for hostilities against Vietnam and Kampuchea in Southeast Asia and against Afghanistan in Southwest Asia. Washington's offer of military aid to Pakistan in the amount of 400 million dollars and presidential Adviser Z. Brzezinski's visit to Islamabad in February of this year to discuss specific aspects of this aid--that is, the use of the Pakistani military regime's territory and armed forces against neighboring countries (for example, Afghanistan)--clearly illustrate the contribution of the American side to the so-called "parallel" actions. Secondly, Washington and Beijing agreed to recruit, arm and train counterrevolutionary rebel detachments in Thailand and Pakistan to fight against the legal governments of Kampuchea and Afghanistan. Behind the agreement of the two sides to take joint (or "parallel") action, it is easy to see the willingness of the Carter Administration to expand the assortment and scales of military shipments to China by including fire weapons, means of communication, motor vehicle transport and other equipment of an expressly military nature. According to the INTERNATIONAL HERALD TRIBUNE of 26-27 January 1980, H. Brown said that the U.S. Administration was prepared to consider Beijing's orders for weapons "in each specific case."

American and Chinese press organs are directing attention to the military-political aspects of the Beijing talks and their results. The matter is being depicted in such a way as to imply that the U.S. Government's haste in developing military cooperation with the PRC was motivated by events in Afghanistan and represents one facet of the United States' "defensive reaction" to the mythical "expansion" of the Soviet Union in Southwest Asia.

Actually, Washington tried to use China for its own foreign policy purposes much earlier, soon after the democratic government was formed. In fact, changes in U.S.-Chinese relations were directly linked with the evolution in relations with the USSR from the promotion of detente to the development of confrontation.

The author of the present "China policy" is the President's adviser on national security affairs, Z. Brzezinski. Some of his former students, who have now become eminent scholars, maintain that as early as the 1960's, when he was the director of an institute for the study of communism at New York's Columbia University, he developed one of his favorite themes in his lectures--the idea that the United States had to form alliances with any and all anti-Soviet forces, including Beijing. His appointment to a key post in the administration gave him a chance to implement this idea, particularly in view of the fact that Jimmy Carter worked with Z. Brzezinski on the so-called "Trilateral Commission" long before his election to the presidency and was well aware of Brzezinski's political views.

The decision to take steps toward rapprochement with Beijing was made in the White House soon after the President's unsuccessful attempt to revise the Vladivostok agreement of 1974 on strategic arms limitation and to force the Soviet Union to accept the one-sided American approach to this central issue in Soviet-American relations. The loss of illusions about the possibility of flagrant U.S. intervention in the internal affairs of the Soviet Union on the pretext of "defending human rights" had a similar effect.

The process of playing the "China card" against third countries began with the Beijing visit of the same Z. Brzezinski in May 1978. The President's adviser was instructed to correct the unfavorable impression made on the Beijing elite by liberal C. Vance, who had visited the PRC not long before (August 1977), and convince the Chinese leadership of the sincerity of President Carter's intention to put an end to the stagnation in relations between Washington and Beijing. Brzezinski's main argument was the administration's willingness to base the "new" U.S.-Chinese relationship on "common strategic (anti-Soviet) interests," and the result of this was a subsequent agreement to establish diplomatic relations.

After this, U.S. Vice President W. Mondale visited the PRC in August 1979.[1] The purpose of this visit included the reinforcement and development of the anti-Soviet foundation of U.S.-Chinese relations. It should be borne in mind that this visit was timed to coincide with the Soviet and Chinese Governments' agreement to begin talks in Moscow to discuss the normalization of relations. Mondale's sweeping political declarations were reinforced by the information that the PRC would be offered several material benefits, including large sums of credits and favorable terms for Chinese imports (most-favored-nation terms were extended to the PRC by an act of the U.S. Congress on 25 January 1980).

As for the visit of Secretary of Defense H. Brown, as demonstrated above, it represented a new step toward the utilization of Beijing's desire for hegemony and the direction of this desire into channels benefiting the United States. This is one of the distinctive features of the present phase of U.S.-Chinese relations.

During all previous U.S.-Chinese contacts, it was Beijing that encouraged the United States to confront the Soviet Union more boldly. The main purpose of this was to obtain American support for the Chinese militarists' adventures in Indochina, where, as we know, the interests of the great-power Chinese policy and the chauvinistic motives of U.S. reactionary circles, striving to gain revenge for the defeats suffered in Vietnam, paradoxically coincided for some time.

---

1. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, Nos 3 and 12, 1979--Editor's note.

But this time the situation was different. Brown encouraged Beijing to display anti-Soviet feeling, hoping to gain China's energetic participation in American military actions against the Asian people. Besides this, the United States is trying to gain assistance from the Beijing regime to strengthen the strategic positions of American imperialism in the southwestern part of the Asian continent, which is contrary to the security interests of not only Afghanistan, Iran, India and other countries, but, in the final analysis, China as well.

For today, however, these conflicts have receded in the face of the common desire of the Carter Administration and the Maoist leadership to put an end to detente and return world politics to the days of tension and confrontation.

Under these conditions, how far will U.S.-Chinese relations progress along the dangerous course charted in the White House? It would probably be impossible to answer this question now. It is a fact, however, that the development of hegemonism in U.S. foreign policy is causing international relations as a whole to enter a complex and difficult stage.

But it is good to remember that detente has always been the result of objective factors and is in the vital interests of all people. This is the basis of the optimistic view of future world politics. "We know," L. I. Brezhnev said, "that the will of the people has cleared a path, bypassing all obstacles, to the positive trend in world affairs that is known by the meaningful term 'detente.' This policy has deep roots. It is being supported by powerful forces and it has every chance of remaining the leading tendency in relations between states."

8588
CSO: 1803

WEST EUROPEAN CHALLENGE?

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 84-89

[Article by V. S. Shein]

[Text] The NATO states in Western Europe, at least the largest ones, have tried to throw down a new challenge to the U.S. defense industry, and this time they are backing up this challenge with tangible success in the development of military and economic cooperation within Western Europe.

This cooperation is gradually taking on relatively broad dimensions. The experience of the past few years has shown that the United States' NATO partners can, through concerted efforts, develop modern weapon systems based on the most advanced technology. This applies primarily to the interaction of the Western European countries in the development of aircraft and missiles, although it extends to other fields as well. This is illustrated by the development of the Jaguar aircraft by England and France, the Anglo-Italo-West German program for the production of the GN-70 and SP-70 howitzers and the multipurpose Tornado aircraft, the Franco-West German missile building project--Hot, Milan, Roland--and other examples.

Just a few months ago, a new military-industrial complex, the Euro-Missile Dynamics Group, came into being in Western Europe as a result of an agreement reached by the governments of Great Britain, France and the FRG. This complex, which unites the efforts of such well-known firms as British Aerospace, Aerospatial and Messerschmidt-Belkov-Bloehm, will work on the development and production of tactical missiles, antitank guns and other combat equipment.

The "continental" in the production of weapons in Western Europe is most often explained not as a desire to step up military preparations, but as a response to purely economic considerations. For example. references are made to the rising cost of modern weapons systems, the need to consider balances of trade, employment and technical progress, and so forth. The list of main factors includes the desire of the Western European NATO members to withstand the pressure of the U.S. defense industry, which sells its NATO allies ten times as many weapons as it buys from them.

The growth of Western European military cooperation was stimulated by the creation of the European programming group in 1976, which is not formally affiliated with NATO. Within the framework of this group, the United States' allies coordinate their military programs and draw up plans for broader military-industrial interaction. The group, including France, is fairly active, which is irritating and disturbing representatives of American military concerns because it indicates that a unified Western European armament production system will be formed.

The Common Market is also making an increasing practical contribution in the progression toward this goal. In the report of the European Parliament's committee on political affairs (the "Kleps report" of 8 May 1978), the creation of a European defense industry is regarded as a basic element in the development of the overall industrial policy of the EEC and as an essential step toward achieving a better balance in military sales between Western Europe and the United States. The report, approved by the European Parliament, appealed for the coordination of the activities of the European programming group and the EEC Commission to provide the defense industry in Western Europe with a "uniting" foundation. The question of drafting a coordinated EEC policy in the sphere of military production was discussed again at a session of the European Parliament last fall. At the same time, attempts are actually being made to propel the Common Market in the direction of metamorphosis into a military-political group.

The Western European Union (WEU) has become much more active. It also advocates ensuring the "survival" of the defense industry of its members and more balanced trade in weapons with the United States through the broader joint production of military equipment and the necessary structural reorganization of the Western European defense industry. Statements to this effect were made, in particular, in the report on Western European policy in the field of arms production (the "Critchley report" of 31 October 1978), approved by the WEU assembly. The president of the assembly, former FRG Defense Minister von Hassel, addressed a symposium held last fall in Brussels to discuss this matter, stating that the nations of Western Europe should forget past differences and begin to work out a common policy in the sphere of arms production.

Representatives of other NATO countries also spoke at the symposium. For example, according to P. Mayer, French inspector general of finance, the only way to protect the European defense industry and resist the expansion of U.S. military concerns consists in giving preference to weapons manufactured in Western Europe. Broader cooperation by the Western European NATO members was advocated by Director General de Geus of the Dutch Defense Ministry's Department of Economic and Financial Affairs, and other symposium speakers.

Although Western Europe is making progress in military-industrial integration, it can only boast of isolated achievements as yet. Nonetheless, certain circles in the United States, expressing the interests of the military monopolies, are already sounding the alarm. The steps taken to develop Western European cooperation in arms production have been described in the United States as a direct threat to the North Atlantic alliance. For example, when General A. Haig resigned from the position of supreme commander of NATO Armed Forces in Europe, he felt the need, at a farewell press conference on 29 June 1979, to frighten his listeners with the danger of the "separation" of the United States and Western Europe, particularly as a result of divided efforts in arms production.

Western European Atlanticists have expressed the same views. The former ambassador of Great Britain in Washington, P. Jay, for example, popularized the belief that the West was in danger of splitting up into hostile economic groups as a result of mounting "regional nationalism." Jay and those who agree with him regard the desire for Western European cooperation in the sphere of arms production as one of the characteristic signs of this "nationalism." At a seminar on problems in the relations between the United States and Western Europe, held in Paris in May 1979 and sponsored by the Atlantic Institute, "European defense" was discussed as a reason for the possible "transformation" of the North Atlantic alliance.

It must be said that Washington officially has not objected to Western European military integration, but has actually supported it and has linked it with its own plans to increase the "total strength" of the West. At the same time, it has not concealed the fact that it would only be pleased by integration to coordinate the military efforts of Western Europe within the Atlantic system, and not undermining this system.

The United States has proposed a so-called "triad" of action as a basis for broader inter-Atlantic cooperation by the NATO countries, along with the creation of the appropriate administrative structure. This "triad," which has been widely publicized by the Carter Administration, consists of the following elements: "Memorandums of understanding," "double production" and "families of weapons."

The declared goal of the "memorandums of understanding" is to open the military market to "free and fair" competition by the corresponding industries in the NATO countries. These "memorandums" have already been drafted by the United States, England, Canada, the FRG, Norway, Holland and Italy for specific types of military equipment. Theoretically, they should aid in the mutual cancellation of various restrictions established according to the "buy national" principle.

"Double production" envisages the possibility of the production by any NATO country or group of countries of systems of weapons developed by anyone of the allies. The expected benefits of this consist essentially in the avoidance of duplicate research and development projects. But it is being depicted in a broader context, as something that will allegedly prevent the kind of disparities in trade and employment that would arise if the particular country that developed this military equipment began to exercise exclusive sales rights. An example of the implementation of this "double production" principle is the Roland missile device developed by France and Germany and now licensed for production in the United States. In turn, the Americans have offered Western European consortiums the AIM-91 "air-to-air" missile, the Copperhead artillery charge with a laser tracking system and the Stinger antiair missile. The Pentagon has declared its intention to expand this type of interaction by the NATO countries.

As for the other element of the "triad," the "families of weapons," according to W. Perry, U.S. assistant secretary of defense, the main objective consists in "gaining greater effectiveness by reducing the unnecessary duplication" of research and development. The U.S. leadership feels it is necessary to determine which nation plans to develop certain types of weapons in the next few years, identify duplicate plans and divide the responsibilities for developing variations of the particular system among different countries (short-range, long-range and so forth); the results of this development, the so-called "packets of information for production," are then to be used in common.

In an attempt to make the "family weapons" principle more appealing to its allies, the United States has expressed its willingness to give Western European industry part of the responsibility for research and development in those cases when the Americans are leading in the engineering of a particular system. Western European industry, in turn, will be expected to make similar reciprocal moves. This approach, as has been stressed in the United States, would aid in the development of more modern designs and would simplify the exchange of the necessary information for subsequent "double production." The objects of negotiation within NATO in connection with this issue are antitank guided missiles and "air-to-ground," "ship-to-ship" and "air-to-air" missiles. The machinery for implementing this principle, however, has not been put in operation as yet.

According to representatives of the American Government, the "cooperation triad" can only be successful over the long range if this cooperation is begun extremely early, during the priority-setting stage. In view of this, the United States supports the development of a periodical weapons planning system within the NATO framework for the particular purpose of determining the need for weapons and military equipment prior to the compilation of national programs and encouraging the multilateral satisfaction of these needs.

Great significance is also attached in Washington to the line of so-called "rationalization"--that is, primarily the broader standardization and guaranteed interchangeability of the weapons and military equipment of the NATO countries. The vigorous advocation of standardization, which is not a new idea in general, reflects the specific stand taken in NATO by the Carter Administration.

Standardization, which would impose more closely concerted action on the countries involved, would, in the hope of Washington leaders, considerably augment the military potential of the North Atlantic alliance, enhance its effectiveness and guarantee the "growth" of the military strength of the West, under U.S. control. This would not only mean an increase in the military strength of the NATO countries, but also its guaranteed manageability. American ruling circles have actually embarked on a course of creating an integrated NATO army within the near future on the basis of interchangeable, and later identical, military equipment.

Despite the fairly vigorous efforts of U.S. leaders, there has been no considerable progress as yet in the area of standardization or in the general expansion of military-industrial interaction by the NATO countries on the inter-Atlantic level. Western European military integration is now obviously being given higher priority than Atlantic integration. One of the main reasons for this is the Western European leaders' realization of the danger of cooperation in weapons production on American terms. Many of the United States' partners, fearing the further restriction of their independence, intend to find ways of counteracting this and of ensuring that programs involving U.S. participation are more egalitarian in character. Another extremely important factor is the desire of Western European political leaders to protect the interests of their own military-industrial concerns, which are trying to grab a larger share of the colossal profits derived from the arms race.

Differences of opinion between the United States and the Western European countries over questions of military cooperation are already, even in this initial stage, quite obvious, primarily in connection with the weapons trade, both within the framework of the Atlantic system and outside this system. America's allies, which have set up their own powerful weapons industry, are demanding at least "minimal reciprocity" in the area of military sales. But events are not moving in a direction favoring Western Europe. Backed up by their modern technology, American corporations are exporting, and offering at advantageous prices, military equipment that can be mass-produced due to the huge size of the U.S. military market. The traditional markets of the Western European firms are being threatened. In Western Europe there is the fear that cooperation with America could be used by Washington to strengthen U.S. positions even more within the sphere of inter-Atlantic weapons exchange.

The Western European countries are also disturbed by the prospects of adapting outdated national military industry to the proposal that NATO be equipped with the latest weapons systems. It has been suggested that Western Europe will be unable to compete with the United States in the Atlantic market for these new types of equipment. In response to criticism, the U.S. Administration reasserted that the "two-way street" principle was the basis of cooperation between America and Western Europe, a "united and collective" basis, in the area of military shipments. Despite these assurances, however, there is widespread skepticism among America's allies regarding Washington's willingness to make sizable concessions to Western Europe in matters pertaining to the arms trade. This skepticism has been reinforced by the actual behavior of the United States.

Washington has verbally stressed its desire for egalitarianism in NATO and its intention to adhere to a "common line." In fact, however, U.S. ruling circles have impeded the attempts of their "junior partners" to put inter-Atlantic cooperation on a basis more beneficial to them. Washington's cancellation, motivated by its concern for the interests of U.S. military monopolies, of projects connected with the creation of a standard combat tank for NATO, adapted from the latest model of the West German Leopard tank (agreement was only reached on a standard 120-millimiter gun for the tank, produced in the FRG, and the American XM-1 tank), aroused pointedly negative views in many Western European leaders in regard to the U.S. proposals.

The current American Administration's stubborness in matters connected with the advance warning system aroused the same reaction in the allies, particularly the FRG and England. Great Britain immediately responded by flatly refusing to sacrifice its own system of this type, based on Nimrod aircraft, for the United States' sake. But even after plans were drawn up for a standard NATO air force unit, consisting of 11 English Nimrod planes and 18 E-3A planes (modified Boeing-707's), conflicts still remained. The West German Government is not particularly delighted with the prospect of huge financial expenditures on the AWACS project and is still experiencing its irritation with the United States in connection with the Leopard incident.

There is the widespread opinion in Western Union that the U.S. Congress can impede military cooperation projects that will not be profitable for the U.S. defense industry. Formally, Congress supports the idea of standardization and has even passed a law to this effect. In a related statement on the need for more balanced arms trade with Western Europe, however, Congress stipulated several conditions which would be extremely difficult for America's allies to satisfy all at once.

The other side is having the same problem. It will be difficult to gain the support of Western European parliaments for costly programs and projects that will obviously be of the greatest benefit to the United States. Realizing that it would not be so easy to confuse the legislative organs of many NATO states with dubious speculations on economic and other "advantages" of the American-style cooperation, Washington quite officially proposed at a NATO Council session in May 1978 that the allied governments resort to the exertion of pressure on their parliaments.

Naturally, Carter did not and could not provide any guarantees regarding the position of the U.S. Congress, which is obviously in no hurry to make decisions of the slightest benefit to Western Europe.

On Capitol Hill, where the interests of the U.S. military-industrial complex are widely represented, Western Europe's request for progressive military technology are being openly denied, and all of the restrictions and prohibitions preventing Western European concerns from reinforcing their competitive positions are still being defended. This is being done in spite of the attempts of the State Department and some other agencies to change the situation enough to draw Western Europe into the orbit of the American policy of inter-Atlantic partnership in arms production.

The present state of events is stimulating the desire of Western European military-industrial concerns to reinforce cooperation within Western Europe, which, under present conditions, represents an increasing challenge to the United States. Washington, on the other hand, intends, judging by all indications, to use all means within its power to neutralize Eurocentric feelings in the allied nations.

It would be difficult to predict the final outcome of this battle. But one thing is quite clear: Western Europe's challenge of the United States in the buildup of weapons and the augmentation of the strength of Western military-industrial complexes are stimulating military preparations and the arms race, undermining detente and preventing the resolution of the urgent problem of European security.

8588
CSO: 1803

CHRYSLER VICISSITUDES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 89-95

[Article by N. A. Zakharov]

[Not translated by JPRS]

CSO: 1803

GOVERNMENT INCENTIVES FOR RESEARCH AND DEVELOPMENT IN CANADA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 96-103

[Article by B. I. Alekhin]

[Not translated by JPRS]

CSO: 1803

'NEW ROLE' OF JAPAN DEBATED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 104-107

[Article by V. I. Churin]

[Text] The processes occurring in Japan and affecting the foreign policy of this nation as well as the status of U.S.-Japanese relations have long attracted the attention of the U.S. academic community. This attention has been particularly pronounced in the last decade, when the nature of the U.S.-Japanese alliance changed: From the obedient "junior partner" of the United States, Japan turned into a persistent and successful competitor in the economic sphere and into a nation which has declared its own economic and political interests, sometimes differing from American interests. The discussions of these matters among American scholars are aimed at discerning new problems and tendencies in order to prevent the development of "unfavorable" trends or to redirect, into the proper channels, those which the United States considers to be consistent with the U.S. interests.

The conclusions and recommendations at which U.S. scholars have recently arrived on the basis of an analysis of numerous examples attesting to Japan's present move in the direction of militarization are of interest to Soviet researchers primarily because they are either supposed to influence Washington's policy-making in relations with Japan or reflect already distinct trends.

"Japan has begun to establish new policy guidelines in the area of security and foreign affairs, which is of great significance for East Asia and adjacent areas,"[1] Professor B. Gordon, for example, said in an article printed in ORBIS (in a book published in 1969, "Toward Disagreement in Asia: A Strategy for American Foreign Policy," he was fairly accurate in predicting the general trends in U.S. policy in East Asia during the first half of the 1970's). The article contains evidence of his worry that Tokyo policy could escape U.S. control. In Tokyo it is now "common practice," B. Gordon writes, "to make references to 'foreign pressure'...for the purpose of justifying actions the Japanese leadership regards as necessary."[2] Gordon feels that Tokyo policy "is leaning toward less reliance on the United States in the economic sphere and in the area of defense."[3]

This tendency could lead, in the author's opinion, to the creation of "a certain distance between Japan and the United States," which would result in their effective separation.[4] Here we should recall the description of current attitudes in Japan made by prominent Japanese expert on international affairs K. Wakaizumi: "It appears that Japan's long psychological dependence on the United States has been broken almost as definitely as when the 'black ships' of Commodore Perry put an end to the era of Japan's diplomatic isolation in 1853."[5] "In Japan they are arguing the need for a foreign policy which will differ significantly from the one that has existed since the defeat in 1945," B. Gordon writes. "As a result, it is already almost a certainty that Japan will considerably augment its military potential in the next 3-5 years. It is slightly less of a certainty that, deliberately or not, this augmentation will be accompanied by the weakening of many of the bonds connecting Japan to the United States."[6]

Gordon warns that this would cause the "international structure of Asia" to turn more and more distinctly into a "quadripolar model"--that is, Japan might acquire "too much" political and, mainly, military independence. At the same time, works by American political scientists on Washington's policy toward Tokyo and the entire sphere of U.S.-Japanese relations clearly indicate a line of stirring up militaristic tendencies in Japan to attach the nation more closely to Washington's foreign policy plans and make more extensive use of it to defend the interests of U.S. imperialism.

What is more, M. Pillsbury, a prominent political scientist who is on the staff of the U.S. Senate's Budget Committee, has even coined the term "Japan card" by analogy with Washington's "China card." "Japan," the author writes in an article published recently in FOREIGN POLICY magazine, "is regaining the status of not only a commercial power, but also a military power."[7] In 1975 M. Pillsbury, who was then a RAND Corporation researcher, published an article which aroused widespread interest in the United States, in which he argued in favor of the establishment of military ties between the United States and the PRC. "In various circles this article was interpreted as unrealistic and even dangerous. But many of his proposals have now come to pass,"[8] the publishers of FOREIGN POLICY write in the preface to Pillsbury's new work. In this way, the reader's attention is also directed to Pillsbury's recommendations regarding U.S.-Japanese relations.

The author advises the United States to encourage present political tendencies in Japan. Moreover, he says that the present commotion in Japan over the so-called "Soviet military threat" is "just as significant" as Tokyo's evident desire for militarization. His proposed target of Japan's increasing military potential is indisputable.

Pillsbury makes a variety of specific recommendations: The United States should assist Japan in equipping its "self-defense forces" with the latest types of military equipment, and U.S.-Japanese cooperation "in the sphere of security" should be further developed; joint U.S.-Japanese military exercises should be practiced more widely, Japan should be included in

NATO consultations, and an exchange of visits should be organized between official representatives of the Japanese "self-defense forces" and officials from NATO headquarters in Brussels; moreover, as an example of a possible topic of discussion, the author cites the study of the circumstances under which Japan could "contain" the Soviet Far Eastern fleet in the Sea of Japan by blocking the Tsugaru, Laperuza and other straits. He also proposes joint military space programs. Pillsbury speaks of the need to give Japan access to "the most modern long-range detection equipment if the Japanese decide to build reconaissance satellites." He asks Japan for financial and technical cooperation in completing the "extremely costly American program for the satellite-aided surveillance of the Soviet fleet's movements in the Pacific" (it "could lead to the establishment of a Pacific intelligence center, to which the NATO allies would also have access").[9]

Again and again, Pillsbury advocates the addition of intense anti-Soviet colors to Japanese-Chinese relations. He declares that, "to one degree or another," all of his recommended measures for the improvement of "Japanese-American relations in the area of security" could also include "officials representing the defense establishment in Beijing." In particular, "Chinese servicemen could participate, in an observer capacity, in joint Japanese-American antisubmarine exercises in the Sea of Japan, and Chinese ships could eventually even take some part in these maneuvers."[10] The author admits that "such actions are potentially provocative" toward the Soviet Union, but this does not cause him to question the wisdom of his proposals. On the contrary, he regards this as a way of exerting pressure on the USSR: "The Russians should be told that their strategic behavior in the Pacific will have a direct influence on the frequency and intensity of military cooperation between Beijing, Washington and Tokyo." The Russians "must realize that their actions could push Tokyo, Beijing and Washington closer to one another, and possibly into an alliance,"[11] he says in a futile attempt to give this planned "cooperation" the appearance of defensive and all but compulsory action.

The agenda for future U.S.-Japanese consultations is to include several topics that are "too delicate" to discuss at the present time. These are nuclear issues, such as the possibility of creating Japanese nuclear forces, and the question of whether American ships entering Japanese ports will be allowed to carry nuclear weapons; the question of participation by Japanese "volunteers" in the UN Armed Forces; the possibility of linking the problem of the U.S. trade deficit to "cooperation in the area of security" (the author's line of reasoning is obvious: When the success of proposed measures begins to whet the appetites of the Japanese militarists and Japan is even more closely attached to the American military machine, it will be increasingly vulnerable to pressure exerted by the United States in the area of military "cooperation," which could force it to make concessions in the economic sphere as well). As an example of this kind of "link," Pillsbury mentions the possibility of pressuring Japan to spend more on the purchase of American weapons than the 4.5 billion dollars it has already promised to pay during the 1980's for the purchase of American K-15 and P-3C military planes. The author politely postpones any discussion of the revision of Japan's constitutional ban on armed forces, as well as the revision of the American-Japanese treaty "on mutual security" for the purpose of "encouraging the Japanese to play a regional role in the area of security."[12]

Plans to build up Japan's military strength and to enhance its military role in East Asia were brought up in the West even in the past. They were particularly apparent at the beginning of the 1970's, when it was suggested that Japan "compensate" for the reduction of the American presence in Asia due to the weakening of U.S. positions in the world arena and the failures of U.S. foreign policy, which were distinctly reflected in the defeats suffered by the United States in the war against the people of Indochina. President Ford's "Pacific Doctrine" demonstrated the U.S. desire to stop this "retreat," and the actions of the Carter Administration have clearly demonstrated a desire to reinforce the aggressive and offensive nature of U.S. foreign policy. In this context, the present plans for the further buildup of Japanese military potential are qualitatively different from the plans of American strategists of the early 1970's: Japan has been invited to take part in imperialism's desperate attempt to reverse the historically determined process of the consolidation of forces for progress and socialism in the world arena. This kind of "joint offensive" is precisely the objective set by M. Pillsbury.[13]

The buildup of Japanese military potential is also encouraged by K. Adelman, a political scientist from the Stanford Research Institute, on the pages of ASIA PACIFIC COMMUNITY, a magazine published in Tokyo. Analyzing the regional factors contributing to the "arousal of Japan's security interests," he deliberately exaggerates the "Soviet threat." Even when he discusses Taiwan's significance for Japanese security, he stresses that the primary consideration is not the threat of possible attempts by Beijing to settle the "Taiwan question" by force, but the hypothetical possibility of "Soviet-Taiwan convergence." Adelman is not as inventive as M. Pillsbury in his recommendations, but his proposals are no less eloquent: For example, he "suggests" that the Japanese Government might prohibit the sale of a floating dock to the Soviet Union by a Japanese firm.[14]

The desire to solve the serious problems the United States is facing in its trade with Japan by focusing the efforts of the Japanese economy on military goals is even more evident in Adelman's line of reasoning that in Pillsbury's. According to some Americans, the says, the average rate of Japanese economic growth would be fully 8-10 percent lower if Japan were to allocate 6-7 percent of its GNP for defense. If this had been the case in the last two decades, the scales of the Japanese economy would have been 30 percent smaller by 1974. "But this was not done," Adelman says with regret, "and now the Japanese are encountering a multitude of problems in the security sphere." Some people feel, Adelman remarks with affection, that the "safest" and most reasonable way of satisfying the "mass passion for armament" is to quietly and continuously augment Japan's military potential. Obstacles such as the restriction of military expenditures to 1 percent of the GNP can be overcome by including items in the "national security budget" which would envisage the allocation of funds for the creation of food and oil reserves. Besides this, according to K. Adelman, Tokyo could take on a larger share of the expense of national "defense," as was the case in November 1978, when the Japanese agreed to pay an additional 100 million dollars over the next 2 years to cover the expense of construction projects on U.S. bases in Japan. Adelman concludes his article by urging adherence to a motto voiced at the end of the 18th century by Adam Smith: "Defense is much more important than wealth."[15] But it is unlikely that the Japanese will agree with this postulate, considering the fact that it uses the term "defense" in the American sense, and the fact that Japan still has a long way to go before it reaches wealth or even the resolution of all its social, economic and other problems.

Washington's exertion of pressure on Tokyo for the purpose of forcing it to spend more on military pursuits is discussed by Harvard political scientist M. Nacht in an article in ASIA PACIFIC COMMUNITY. "Although this is not the official opinion of the Carter Administration," he writes, "there are influential members of Congress, prominent analysts of foreign policy and defense and expert on Asia who...advise the Japanese Government to spend more on defense."[16]

These statements clearly indicate the direction in which American political scientists, and now even official Washington, are quite eagerly playing the "Japanese card" as a supplement to the "China card," obviously giving no serious thought to the fact that the time will come when both Beijing and Tokyo, now encouraged by Washington, will have the opportunity to make their own large-scale moves in this dangerous game and will begin to actively play the "American card" in their own hegemonistic interests.

Will this not cause the specter of Pearl Harbor to loom up before the United States?

FOOTNOTES

1. B. Gordon, "Loose Cannon on a Rolling Deck? Japan's Changing Security Policies," ORBIS, Winter 1979, p 968.

2. Ibid., p 981.

3. Ibid., p 1002.

4. Ibid., p 1003.

5. K. Wakaizumi, "Japan's Passive Diplomacy Reconsidered," ASIA PACIFIC COMMUNITY, Winter 1978/79, p 41.

6. B. Gordon, Op. cit., p 970.

7. M. Pillsbury, "A Japanese Card?" FOREIGN POLICY, Winter 1978/79, p 4.

8. Ibid., p 3.

9. Ibid., pp 21-25.

10. Ibid., p 25.

11. Ibid., p 26.

12. Ibid., pp 26-27.

13. Ibid., p 27.

14. K. Adelman, "Japan's Security Awakening. Regional Factors," ASIA PACIFIC COMMUNITY, Summer 1979, p 108.

15. Ibid., pp 107-108.

16. M. Nacht, "Fallacies in Japan-U.S. Security Relations," ASIA PACIFIC COMMUNITY, Winter 1978/79, p 26.

8588
CSO: 1803

THE POWERS THAT BE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 108-115

[Conclusion of abridgement of chapters from the book "The Powers That Be" by David Halberstam, New York, Alfred A. Knopf, 1979]

[Not translated by JPRS]

CSO: 1803

BOOK REVIEWS

Non-Proliferation Safeguards

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 116-117

[Review by V. F. Davydov of the book "Postures for Non-Proliferation. Arms Limitation and Security Policies To Minimize Nuclear Proliferation," London, Stockholm International Peace Research Institute (SIPRI), 1979, VIII + 168 pages]

[Text] In the special literature on the non-proliferation of nuclear weapons, which is published in large quantities in the West, attention is focused on ways of neutralizing the possible use of nuclear power stations and enterprises for the concentration of uranium and the reproduction of spent fuel for the development of a nuclear weapon.

It is from another vantage point that the problem of non-proliferation is investigated by the author of this book, American scientist E. Shettle, who works for the United States' influential Ford Foundation. The author believes that the elimination of all danger of proliferation in the distant future will only be made possible by international security regulations to protect the interests of non-nuclear countries. In her opinion, the interrelationship between the policies of the nuclear powers and the attitudes of other countries toward nuclear arms plays the deciding role in the strategy of non-proliferation (p 13).

American political scientists, however, take two diametrically opposed approaches to the interpretation of this interrelationship. The supporters of the first approach, including W. Hahn, researcher at Georgetown University's Center for Strategic and International Studies, Professor M. Hogue, former Secretary of Defense and Energy J. Schlesinger and others, feel that the greater the arsenal of nuclear weapons possessed by the chief nuclear powers, the less likelihood there is that a large number of non-nuclear countries will acquire their own nuclear weapons. Conversely, a significant reduction in the U.S. nuclear arsenal will increase, in their opinion, the desire of other countries to acquire their own nuclear weapons.

Repudiating all steps to limit the use of nuclear weapons, they advocate the continuation of the arms race in the quantitative and qualitative sense, the assumption of stronger military commitments by the United States to its allies and the extension of these to new countries, and the possible waging of "limited" nuclear wars.

Behind these recommendations is the expectation that widening the technological gap between the military potentials of the nuclear and non-nuclear countries will intimidate the latter and make them reluctant to enter the race for nuclear arms. Therefore, nuclear weapons can supposedly perform the functions of "intimidating" and "deterring" non-nuclear as well as nuclear countries.

Analyzing the views of the representatives of this current, the author concludes that the implementation of these recommendations can only aid in the further proliferation of nuclear arms. The example set by England and France in the creation of independent nuclear potential testifies that the American "nuclear umbrella" could not satisfy the security interests of these NATO allies. Besides this, several non-nuclear countries simply do not want to give up their political independence by allowing the United States to "guarantee" their security. These countries generally see U.S. nuclear policy as a threat to their own interests, which could motivate them to neutralize it with the aid of their own nuclear weapons.

From the political standpoint, the author says, these recommendations are inappropriate for a non-proliferation strategy because they assert that only nuclear weapons can endow states with a "unique political status" and a dominant position in the system of international relations. Moreover, they propose the further enhancement of the political and military significance of nuclear weapons and, consequently, the perpetuation of the nuclear arms race.

The supporters of the second approach--Princeton University Professor R. Falk, political scientists H. Ball and M. Singer, former Director J. Smart of the London Institute of Strategic Studies and others--take the opposite view of the nature of the relationship between the nuclear arms race and proliferation. They feel that smaller stockpiles of these weapons in the nuclear states will present more obstacles to their utilization and diminish the likelihood that other countries will try to acquire them. As a result, they are in favor of considerably reducing nuclear stockpiles and substantially revising the military policy of the nuclear states. In their opinion, the construction of international security on the foundation of disarmament and detente will guarantee the success of any non-proliferation strategy.

Analyzing the view of this group of scientists, the author lists the following possible ways of neutralizing the motives for the attainment of nuclear potential: the non-deployment of nuclear weapons in regions where they are not presently deployed, and the withdrawal of tactical nuclear forces from crisis zones; the creation of nuclear-free zones; the non-utilization of nuclear weapons against non-nuclear countries; no first use of these weapons by nuclear states against one another. In her opinion, the legal prohibition of the use of these weapons is acquiring particular significance in the consolidation of international security: "Even if nuclear proliferation should take place in the future, the existence of permanent restrictions on their use will minimize the negative effect of the initiation of new members into the 'nuclear club'" (p 46)

From the political standpoint, nuclear disarmament will testify to the diminished significance of nuclear arsenals and will signify that the world's leading powers do not associate their international positions with the possession of these weapons. The author believes that the process of disarmament should be headed by the United States and the USSR, but other nuclear countries should also take part in the process.

In her opinion, the encouragement of non-nuclear countries to take part in future negotiations could enhance their international prestige and strengthen their belief that they have absolutely no need to develop their own nuclear weapons for this purpose.

The author agrees, although with some reservations, with the supporters of disarmament and feels that if nuclear weapons are gradually pushed into a position of little importance in world politics, the danger of their further proliferation will be minimal (p 52).

The fact that the majority of non-nuclear countries repeatedly insisted, when the text of the corresponding treaty was being drafted, that the nuclear states undertake to reduce their arsenals to compensate the others for declining to develop their own nuclear weapons, also speaks in favor of the choice of disarmament as a basis for the long-range non-proliferation policy. This is why disarmament is an essential condition for the successful functioning of the Non-Proliferation Treaty.

The author is absolutely justified in saying that far-reaching steps in the area of nuclear disarmament will require a "considerable degree of cooperation between the United States and the USSR." But she does not mention in her book that the majority of these proposals, such as the ones regarding the non-deployment and non-use of nuclear weapons, were initiated by the USSR, but have not been implemented as yet through the fault of the United States.

On the whole, the book is directed against militaristic forces. They are still comforting themselves with the illusion that nuclear weapons could aid in strengthening the security of individual countries and the entire world, ignoring the fact that it is precisely this policy that increases the danger of nuclear war.

Study of Soviet and U.S. Diplomacy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 117-119

[Review by V. M. Berezhkov of the book "Soviet Diplomacy and Negotiating Behavior: Emerging New Context for U.S. Diplomacy" by Joseph G. Whelan, Congressional Research Service, Washington, Library of Congress, 573 pages]

[Text] The International Relations Committee of the U.S. House of Representatives requested a group of specialists (headed by Doctor Joseph Whelan) from the Congressional Research Service to conduct a study of Soviet foreign policy. The result is this recent publication, covering the period from the October Revolution to the present day. The work contains a great deal of factual material: It relates a multitude of diplomatic episodes, from the Brest Peace to SALT. On the whole, the authors of the work commend Soviet diplomacy and the diplomatic service of the Soviet State.

Nonetheless, the obvious biases of the researchers are striking. They believe that Washington has always wanted peace and has favored the just settlement of disputes, while the Soviet Union has supposedly refused to come to terms, which has allegedly led to conflicts and confrontations. It is no secret, however, that international events testify to the exact opposite.

Soviet documents on the foreign policy and diplomacy of the USSR are totally absent from the work. Only a list of U.S. Government publications is presented at the end of the book. The reader will not find a list of Soviet Government documents pertaining to foreign policy. The authors only mention the foreign policy decisions of the 25th CPSU Congress in passing, and only in the section on the developing countries. The Program of Peace adopted at the 24th CPSU Congress is not mentioned at all. These exceedingly important documents, which lie at the basis of the activity of all foreign policy organs in our nation and are mandatory for every Soviet diplomat, remain unknown to the readers of a work dealing with Soviet diplomacy. It is in these decrees, however, that the foreign policy goals and objectives of the Soviet State are defined and the principles of Soviet diplomacy are set forth in their entirety. For some reason, the authors felt justified in omitting them from the work. At the same time, they cite an American political scientists' complaint that he finds it "difficult to define" the foreign policy goals of the Soviet Union. But after all, these goals have already been defined and made public, and from the highest rostrum in our nation.

There are many such omissions, that are more than just odd, in the work. For example, the negotiations preceding the Treaty of Brest-Litovsk are described in detail, and this is followed by a lengthy discussion of the "conclusions" drawn by Soviet diplomacy from this experience. The 5 years following the October Revolution, a period of brutal civil war and intervention by 14 powers supporting the counterrevolution, however, are completely ignored. One of these powers was the United States. The authors do not even wonder about the kind of experience Soviet diplomacy acquired in this period. They also do not say a word about Washington's reasons for waiting 16 years to recognize the Soviet Union.

The authors present a detailed discussion of several wartime conferences--Moscow, Tehran and Yalta--which demonstrated the combat unity of the powers making up the anti-Hitler coalition, but they completely ignore the Potsdam Conference, at which time President Truman committed the first act of attempted atomic blackmail against the USSR. A serious analysis of the Potsdam Conference documents, however, provides abundant material for a correct understanding of the history of Soviet diplomatic behavior and international relations. Relieving themselves of the responsibility of making this kind of analysis, the specialists from the Congressional Research Service allege, without producing any proof, that it was the Soviet Union, and not the United States, that deviated from the ideal of postwar cooperation, although many excellently documented volumes attesting to the opposite have already been written.

In general, the authors of this work tend to invariably ascribe the worst motives to the Soviet Union and the finest to the United States. In a discussion of the Harriman-Beaverbrook mission to Moscow in the difficult fall of 1941, the experts from the Congressional Research Service are touched by the magnanimous way in which Washington and London did not make any particular stipulations when they offered military equipment to the Soviet Union, and they are distressed by the "insufficient gratitude" of the Soviet side (p 125). This is an odd way of putting it. After all, the Soviet people, who bore most of the burden of the struggle against fascism, had more than paid for these shipments with their own blood. Besides this, the shipments, as is well known, constituted only 4 percent of all the military equipment used by the USSR in the Great Patriotic War. We must also remember that when the Western allies finally landed in Normandy at the end of 1944, they were opposed by only 12 German divisions, while more than 200 enemy divisions were posted on the Soviet front. It is only in light of these facts that this "magnanimity" and "insufficient gratitude" can be assessed from the correct vantage point, although it is true that the military shipments of the allies played an important role in the difficult months of 1941 and this was appreciated by the Soviet side.

The final section of the work discusses the conclusions Washington should draw from this analysis of Soviet foreign policy and from the experience of the diplomatic negotiations conducted by both powers in recent years. Here the authors also display a unique approach. They recommend that Soviet diplomacy be subjected to a certain degree of "de-ideologization" for the purpose of bringing it into "conformity" with Western standards. According to the authors, this would simplify the normalization of U.S.-Soviet relations and the conclusion of agreements on important issues of the present day.

This approach bears a strong resemblance to repeated futile attempts in the past to alter others according to the American model and image.

Unemployment in America

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 119-121

[Review by L. A. Nemova of the book "Out of Work. Why There's So Much Unemployment and Why It's Getting Worse" by Cy Gonick, Toronto, James Lorimer and Co., Publishers, 1978, 176 pages]

[Not translated by JPRS]

Social Security Plans and Problems

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 p 122

[Review by S. I. Chorbinskiy of the book "Policymaking for Social Security" by Martha Derthick, Washington, The Brookings Institution, 1979, XIV + 446 pages]

[Not translated by JPRS]

Current U.S. Foreign Policy Theories

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 p 123

[Review by Yu. K. Krasnov of the book "Sovremennyye vneshnepoliticheskiye kontseptsii SShA" edited by G. A. Trofimenko, Moscow, Nauka, 1979, 380 pages]

[Text] The latest American foreign policy theories, engendered at a time of international detente, are discussed in this work.

Extensive factual material is used to demonstrate how American theorists are trying to work out foreign policy principles and methods which would enhance the "competitive ability" of the American Government under these new conditions, or at least prevent the deterioration of its international positions.

The authors of the work single out four features common to the majority of American bourgeois foreign policy theories. The first is the idea of organizing some kind of "club" of the industrially developed capitalist powers. This club would be expected to solve its own problems and then work out coordinated solutions to problems in interrelations with the developing and socialist countries.

Another characteristic of many American theorists is the idea that nuclear war is undesirable under present conditions. The authors show how bourgeois theorists arrive at this belief in different ways: some through a realization of the barbarous and inhuman nature of this kind of war, and others through pragmatic calculations which demonstrate that the present strategic parity between the United States and the USSR would make nuclear war futile and suicidal for the United States.

In their description of American theories, the authors also mention another feature common to many American theorists: the belief that so-called non-military factors of strength, primarily results of the technological revolution, can serve as a panacea for preserving and strengthening U.S. foreign policy positions. These factors include the export of technology, "know-how," modern managerial practices and so forth.

Another feature of the American theories, pointed out by the Soviet researchers, is the fact that the threat of force is still, despite its definite depreciation under the conditions of the present "geopolitical situation," regarded as one of the instruments of pressure in the U.S. foreign policy arsenal. The authors show that people in the United States are persisting, despite the lessons taught by history and despite detente, in planning sly intrigues, which are supposed to provide opportunities for the use of "partial advantages" as diplomatic bargaining points.

American predictions of international relations in the 1980's and 1990's, the search for new foreign policy tactics, the evolution of American military and political thought and the American concept of detente are analyzed in depth in the work. In addition, the authors examine new trends in the American policy of "critical response," the evolution of the approach of American bourgeois ideologists to the ideological struggle, current tendencies in peace research and in the use of non-military "factors of strength" and several other topics.

The general conclusion of the authors is that, despite the "novelty" and "realism" of some theories, many American foreign policy theorists are still carrying around obsolete baggage and are indulging in dreams about "imperial America," although there is also no question that definite progress has been made in American political science in comparison to the stand taken by the majority of its representatives in the 1950's and 1960's.

Capitalism and Environmental Protection

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80
pp 123-124

[Review by V. D. Pisarev of the book "Amerikanskiy kapitalizm i problema okhrany okruzhayushchey sredy" by V. I. Sokolov, Moscow, Nauka, 1979, 200 pages]

[Text] The subject of this review, a work based on original factual data, provides an understanding of the contradictory nature of the measures taken by state-monopoly forces to combat the ecological crisis, which are having a serious effect on various facets of material, social and spiritual life in the United States.

The author conclusively proves the absence of scientific grounds for the arguments of bourgeois ideologists who blame the ecological crisis on technical progress, economic growth and demographic trends. By focusing attention on the natural, scientific and technical aspects of the ecological crisis, bourgeois ideologists are intentionally confusing socioeconomic problems with natural ones to conceal the increasingly pronounced contradictions of capitalism.

The author notes that technological, organizational and economic experience in the resolution of ecological problems is being accumulated in the United States (national expenditures on pollution control rose from around 10 billion dollars in 1970 to more than 40 billion in 1977). There has been more activity in the international arena to organize global environmental control, set international standards in this field and strengthen the position of U.S. monopolies in world markets for purification equipment and technology. The data cited by the author testify that all of these measures are largely aimed at the attainment of American imperialism's foreign policy and foreign economic goals.

The author pays particular attention to the salient features of socioeconomic processes connected with environmental pollution and reflecting the reaction of state-monopoly capital to the ecological crisis. He presents a detailed analysis of questions of legislation and the establishment of administrative and legal guidelines for the capitalist exploitation of nature.

The author correctly stresses that when the U.S. Congress and Administration pass laws to protect the environment and plan specific conservation measures, they leave their implementation up to the monopolies, which will ultimately determine actual policy regarding these decisions.

Labor Unions and Foreign Policy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 pp 124-125

[Review by Ya. N. Keremetskiy of the book "Profsoyuzy SShA i vneshnyaya politika" by G. D. Gevorgyan, Moscow, Profizdat, 1979, 252 pages]

[Text] With the aid of abundant historical material, the author of this work analyzes some important aspects of the foreign policy activity of American labor unions. He traces the causes of anticommunism and anti-Sovietism in the foreign policy of U.S. labor organizations, examines the part played by this policy in the moral and political isolation of the workers movement within the nation and in the international labor movement and analyzes the struggle between rightist and leftist-centrist forces in the unions over the issues of peaceful coexistence and detente at a time when the workers movement is losing strength.

The author is completely correct in calling the bourgeois ideological mentality of the American labor aristocracy and union bureaucracy the principal cause of hostility toward real socialism. These groups, the most influential in the workers movement, have always been chiefly interested in, as V. I. Lenin put it, making a comfortable and convenient spot for themselves in the capitalist society. According to these groups, as G. D. Gevorgyan conclusively proves, "commercial" trade-unionism is incompatible with socialism. The reactionary foreign policy ideas of the leaders of the AFofL, and later of the AFL-CIO, have primarily been due to their interest in establishing a system of "privileges and bribes" for part of the working class in a capitalist system endowed with military and economic strength and capable of imposing its wishes on the world.

The author concludes that in 1966 and 1967--that is, when most of the working class entered the peace movement--an independent foreign policy line began to be established in labor unions and the reactionary AFL-CIO bosses began to lose their exclusive right to represent the workers movement in international politics. The author cites a statement by D. Fraser, the head of the Automobile Workers Union who helped to destroy the foreign policy dictatorial system of George Meany in the 1960's and 1970's, as typical of the new trend in the workers movement: "The labor movement in the United States is a conservative force when it comes to foreign policy matters, and this calls for a change." Those who favor the modification of union foreign policy are quite aware that anticommunism and anti-Sovietism will make it extremely difficult for the unions to become an independent and more influential progressive force in society.

An analysis of new developments in the labor unions gives the book special educative value. The most perceptible of these developments is the increasingly tense struggle within the labor movement between leftist and centrist forces (representing the interests of the dissatisfied majority of organized workers) and the rightist forces of the labor bureaucracy, striving to hold on to their privileged social status. As the author points out, the issues of peace and detente are influencing union policy more and more. This is one of the most important factors strengthening the position of leftist-centrist forces. The workers have become increasingly confident that the cessation of the arms race and the reduction of the Pentagon budget will be a condition for their attainment of major socioeconomic concessions from the ruling class. In a study of changes in the alignment and balance of union forces at the end of the 1970's and the beginning of the 1980's, the author focuses attention on the effect of the Soviet Union's active policy of peace on this process. At the same time, in a discussion of the complex and contradictory process by which cold war dogmas are being repudiated in the labor movement, G. D. Gevorgyan proves that the rightist labor bureaucracy still has a good chance of keeping the unions in a conservative position regarding foreign policy issues.

American Blacks, 17th-20th Centuries

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 80 p 125

[Review by S. A. Chervonnaya of the book "Negry SShA. XVII-nachalo XX v." by E. L. Nitoburg, Nauka, 1979, 293 pages]

[Not translated by JPRS]

8588
CSO: 1803

JPRS 76054

16 July 1980

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 5, May 1980

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

JPRS 76054

16 July 1980

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 5, May 1980

Translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

The Great Victory--Thirty-Five Years.................................. 1

Some Features of Present-Day U.S. Military Doctrine
(M. A. Mil'shteyn).. 8

Arms Sales as an Instrument of U.S. Foreign Policy
(A. V. Kozyrev)... 21

The United States Tax System*
(Ye. F. Zhukov)... 36

Non-White Americans: The Problem of "Equality of Results"*
(I. A. Geyevskiy, S. A. Chervonnaya)............................ 37

Election Strategy of the President
(B. R. Izakov).. 38

The Presidential Messages: Myths and Realities
(Yu. I. Bobrakov)... 47

Canada: The Liberal Comeback*
(S. Yu. Danilov).. 56

Operating Through Islamabad
(A. D. Portnyagin).. 57

Competition in Space*
(A. A. Khabarov).. 62

---

* Not translated by JPRS.

Aspects of the Housing Problem*
(Ye. D. Mikhaylov) 63

Nature Preservation: Organization of Monitoring
(V. I. Sokolov) 64

Book Reviews

American Two-Party System, V. N. Pavlov 65
Brookings Budget Analysis, A. I. Deykin 69
Conservation and Government,* V. I. Vasin 73
American History Series, G. Ye. Skorov 74
The Road to Potsdam, B. I. Romanov 82
Anti-Soviet CIA Activity, N. N. Glagolev 84

German Fascism as Viewed in Present-Day American Bourgeois Political Thinking
(A. S. Blank, R. G. Kashin) 86

---

* Not translated by JPRS.

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY
No 5, May 1980

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo Nauka

Place of Publication : Moscow

Date of Publication : May 1980

Signed to press : 10 April 1980

Copies : 38,000

COPYRIGHT : Izdatel'stvo "Nauka", "SShA - ekonomika, politika, ideologiya", 1980

THE GREAT VICTORY--THIRTY-FIVE YEARS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 3-8

[Text] The date of 9 May 1945 is one of the milestones of history that will never be erased from the memory of present and future generations. By starting World War II, German fascism flooded Europe and Africa with blood while its ally Japan did the same to Asia. The beginning of the end of Hitler's reich and his delirious dreams of world supremacy was the day when, to repulse the treacherous attack on the Soviet Union by the fascist hordes on 22 June 1941, the entire Soviet population, under the guidance of its Communist Party, rose up in a sacred Great Patriotic War against Hitler's invaders.

It has been 35 years since the time of fascist Germany's unconditional surrender. They say that time is the best physician and that it heals all wounds. But it is incapable of even dulling the pain that is still felt by each survivor who recalls the price of this victory. The Soviet people, who shouldered most of the burden of the fight against fascism, will never forget their 20 million sons and daughters who gave up their lives in battle with the fascists with weapon in hand, died of starvation and disease in the Leningrad blockade, were killed during the mass bombing of cities and villages or met their death in the Gestapo's torture-chambers. The Soviet people bow their heads to the memory of the sons and daughters of all people who fell in mortal combat against fascism or were burned to death in the infernal flames of the ovens of Auschwitz, Dachau and Buchenwald.

We also feel great pride. We are proud of our victory. We are proud of the results which often appeared to be beyond human capability, the efforts to repair the ravages of war, and the historic feats accomplished in the 35 years since the war by the Soviet people, under the tried and tested leadership of the Communist Party, feats which have made the Soviet State what it is today. We are proud of the Soviet Union's decisive part in preventing a new war and in strengthening public security. This is the sole reason that Europe has lived under peaceful skies for so long for the first time in its history.

Peace is dear to the heart of each Soviet person. He knows too well what war is. Truly universal support has been given to the policy consistently and persistently conducted by the CPSU Central Committee and the Soviet State, the policy of peaceful coexistence by countries with differing social systems, a policy aimed at the cessation of the arms race and the development of all-round cooperation between nations and peoples. This policy is supported by all people in the world.

The struggle to prevent a new war and to ensure the total triumph of the cause of peace and cooperation was and is a difficult one. Nonetheless, our party's consistent and creative efforts to achieve peace, detente and disarmament and to implement the Program of Peace set forth at the 24th and 25th CPSU congresses have produced substantial results. In the broadest context, the main result has been the disruption of the tragic cycle of world war, followed by a brief respite, followed by a new world war. This historic result is justly a source of pride for us, the Soviet people, for our friends, the people of the socialist countries, and for all those who have fought for peace, detente and peaceful coexistence by states with differing social structures.

The past war, the history of its origins, the long and bloody road to victory and its final attainment taught a multitude of lessons, which have already been studied, are now being studied and will continue to be studied by politicians and scholars--largely for the purpose of effective policymaking in the present and future.

History recalls that the pre-war diplomatic efforts of the great powers of that time were largely aimed at pushing the fascist Wehrmacht eastward and hurling the Hitlerist military machine into action against the world's first socialist state.

But the more intelligent men who succeeded the Chamberlains and Daladiers and the rest of Hitler's appeasers and protectors, as well as the government of the United States, headed by President Franklin Roosevelt, chose the only correct and salutary path—the path of an anti-Hitler coalition, with the Soviet Union as its cornerstone. This, L. I. Brezhnev has pointed out, was not only an alliance of governments, but a combat alliance of our armies and our people, a historic example of successful cooperation unaffected by the differing social systems of the states involved.

Pointing out the vitally important role of the Soviet Union in this cooperation for the very existence of England, the United States and many other countries, U.S. Secretary of State E. Stettinius remarked that if the Soviet Union had not maintained its front, the Germans would have been able to defeat Great Britain. They would have been able to seize Africa and then to establish a bridgehead in Latin America. There is no doubt, agreed General G. Marshall, U.S. Army chief of staff, that the heroic resistance of the Soviet people saved the United States from war on its own territory.

A long and bloody road had to be traveled before the Western members of the coalition joined the Soviet Union in combat operations on European soil. History knows that the Western allies took every opportunity to postpone the date for the landing of their troops in Europe. Even after the Tehran conference of the "big three" in November 1943, when a firm agreement was reached on the date and location for the opening of a second front, W. Churchill went behind the Soviet Union's back to exert intense pressure on President Roosevelt, urging him to postpone operation "Overlord." Churchill even proposed that a change in the location of the landing be made, suggesting that it take place not in northern France, but in the Balkans, or that the troops advance from Italy via Trieste, with Vienna as the final objective. In other words, the head of the British Government was suggesting that the allied troops move through Austria and the Balkans, heading off the Soviet armed forces. He hoped that Hitler's troops could easily be pushed out of this region and, in the absence of allied troops in the West of Europe, could throw all their forces into battle against the Red Army, delaying its progress for as long as possible. English and American troops, on the other hand, were, according to Churchill's calculations, to take over Western Europe without any great effort, to occupy Germany and to dictate their own postwar settlement terms.

These plans were frustrated by the heroic feats of the Soviet Armed Forces, who chased Hitler's armies westward much more quickly than expected in London or anywhere else.

The firm adherence of U.S. President F. Roosevelt to the agreement reached in Tehran also played a part in this.

Although it was delayed, operation Overlord finally took place. On 6 June 1944 the allied troops began the landing in Normandy. The success of this operation was partially predetermined by the earlier battles of allied troops in North Africa and Italy and was guaranteed by the heroism of allied soldiers and officers.

Above all, however, it was predetermined and guaranteed by the historic feats already performed by the Soviet Armed Forces, who had pinned down and destroyed Hitler's main forces on the Eastern Front. Soviet troops routed 218 divisions of troops from fascist Germany and its allies just between November 1942 and the end of 1943. Between 1 January 1943 and 1 January 1944--that is, not long before the allied landing in Normandy--the Soviet Union defeated from 425 to 489 divisions of Hitler's Wehrmacht; allied troops involved in these battles numbered from 34 to 46 divisions.

The unconditional surrender of the fascist reich came on 9 May 1945. This date presented the Soviet Union and all of Europe with the possibility of restoring all that had been destroyed and healing deep wounds.

The date of 9 May 1945 also marked the beginning of the process by which mankind's hopes for eventual peace on earth for all people and for all time were placed on a solid foundation. One of the main factors on which these hopes were based was the close cooperation established during the war by the Soviet Union, the United States, England and free France. People wanted to believe that this cooperation would become even stronger in peacetime and that it would lead to the establishment of a postwar world in which justice and the principle of peaceful coexistence by states with differing social systems would reign triumphant.

While the war was still going on at full force, the declaration signed in Tehran by the leaders of the USSR, the United States and England stated: "We express our determination that our countries will work together both in time of war and in the subsequent time of peace.... We arrived here with hope and determination. We are leaving as true friends in spirit and aims." It went on to say: "As for peacetime, we are certain that our accord will guarantee lasting peace. We are fully aware of the great responsibility borne by us and by all of the United Nations for accomplishing the kind of peace that will be approved by the majority of the world's people and will eliminate the privations and horrors of war for many generations."

The resolutions of the February 1945 Yalta Conference of the three powers were set forth in the same spirit. Speaking in the U.S. Congress immediately upon his return from Yalta, President Roosevelt described its results in the following way: "The conference in the Crimea marked, I believe, a turning point in our history and, therefore, in the history of the entire world.... The Crimean conference should put an end to the system of unilateral actions, exclusive alliances, spheres of influence, the balance of power and other props that have been used for centuries, and also unsuccessfully."

In this way, the head of the largest capitalist power affirmed the immutability of his intention to continue the wartime cooperation with the Soviet Union even after the war. In essence, he supported the principle of peaceful coexistence by states with differing social systems and advocated the abandonment of the policy of hostility toward the Soviet State that had been conducted by the Western powers between the two world wars.

Roosevelt's line, forged in the heat of the battle against fascism, took on a dynamic which had a definite effect on the outcome of the postwar Potsdam Conference of the three powers in July 1945. In Potsdam the United States was represented by H. Truman instead of F. Roosevelt (he died on 12 April). An official report on the results of the conference stated that it "strengthened the bonds connecting the three governments and expanded the framework of their cooperation and understanding." It was announced that the governments and people of the three powers taking part in the conference, "along with the other United Nations, will guarantee the establishment of a just and lasting peace."

History, however, knows that the Western capitals were reluctant for a long time to heed the most important lesson to be learned from the joint efforts to win a victory--the vital importance of the continuation and development of cooperation between the powers making up the anti-Hitler coalition, between states with differing social systems, for the guarantee of a just and lasting peace. The United States and England started a cold war. It went on for decades, and the world was on the verge of a new "hot" war several times. This catastrophe was only averted by means of a truly titanic struggle by the Soviet Union and all peaceful forces.

History reminds us that the United States then forgot Roosevelt's appeal for an end to the disastrous policy of unilateral action, exclusive alliances, spheres of influence and risky games with the "balance of power." On the contrary, the United States took exactly this line by putting together the NATO alliance and other military blocs and declaring almost the entire world a sphere of its influence.

Reality and, above all, the radical change in the global balance of power compelled the United States to undertake an extensive revision of cold war dogmas in the early 1970's, to officially recognize the principle of peaceful coexistence and to consent to constructive talks with the Soviet Union on cardinal problems in Soviet-American relations and international relations as a whole.

The world entered the long-awaited era of international detente. Within an unprecedentedly short period of time, the seemingly dead channels of political, economic, cultural, scientific and technical cooperation between the two strongest powers of the present day were revitalized and filled to the utmost, and this had a favorable effect on the entire international situation. The hope of people for a just and, consequently, truly lasting peace was reinforced. The prospect of arms race limitation, which would make the human and material resources it had been absorbing available for peaceful economic needs, appeared realistic. The European states, the United States and Canada supported the historic initiative of the Soviet Union--the convening of a conference on cooperation and security in Europe, during the course of which a large part of the "code of detente" was worked out and ratified by the top leaders of the participating states.

At the very end of the 1970's and the beginning of the 1980's, however, the international situation was perceptibly exacerbated. And people must know the truth about who is to blame for this. The imperialist forces and, above all, certain circles in the United States are to blame. Those who see detente as an impediment to their own aggressive plans to whip up militaristic hysteria and intervene in the internal affairs of other people are to blame. Those with a deeply ingrained habit of unceremoniously dealing with other states and behaving in the international arena as if everything is allowed them are to blame.

From the time of the May 1978 NATO Council session in Washington, the United States began to escalate the arms race with new vigor, allocating more and more billions of dollars not only for the augmentation of the arsenal of existing generations of weapons, but also for the creation of new and even more destructive weapons, apparently giving no thought to the fact that the other side would be forced to close up the gap between levels of military strength. This kind of behavior does not contribute to the alleviation of the danger of war and cannot strengthen the security of the United States to any degree whatsoever.

Washington also took other steps which increased the danger of a new war.

Again, just as during the cold war, Washington seems to have completely forgotten the facts which the United States had to realize as early as the war years and which U.S. President Roosevelt firmly pointed out to the members of government and legislators in his abovementioned address to the Congress. The willingness and determination to resort to unilateral action have been reasserted--this time with the aid of a "rapid-reaction corps"; new efforts are being made to strengthen the exclusive NATO group, and attempts are simultaneously being made to judge the possibility of creating new military blocs, primarily in the Middle East and South Asia; the policy based on the principle of "spheres of influence" has been reenergized, but now it is called a policy of safeguarding U.S. "vital interests" in almost all parts of the world; efforts have been made to make the anti-Soviet balance of power "heavier" by the inclusion of Beijing, with which Washington has suddenly found "common" or "parallel" interests.

Although these theories and actions were already dangerous enough for the cause of peace during the first postwar decades, now they are many times more dangerous because they are escalating tension in a world that is already oversaturated with weapons, the use of which threatens unforeseeable consequences.

The policy of escalating tension is particularly dangerous when the leadership of a country such as China openly discusses the inevitability of a new war and vigorously tries, as it has tried from the very beginning, to bury detente alive. The Beijing leaders have no interest in detente because it interferes with their plans of keeping the Chinese population submissive, preparing the people for aggressive wars, building up China's military muscles, including its nuclear missile strength, laying claim to the territory of all neighboring countries and committing acts of broad-scale armed aggression as, for instance, the aggression against Vietnam.

Washington's declaration of a "definite community" of interests with Beijing and a willingness to supply China with technology suitable for military use certainly looks like a policy of encouraging Beijing's hegemonistic ambitions. People in Washington apparently believe that if Beijing decides to start a war after it acquires enough power, its armies will only move northward. It appears that people in Washington have forgotten another lesson taught by the history of World War II's origins--the collapse of the hope that the policy of encouraging gestures and acts toward a potential aggressor will guarantee peace and security for the initiators of this policy. After all, everyone knows that it was precisely those aspects of the policy of the great powers between the two world wars, which were justifiably regarded by the former reich--which, incidentally, was also yearning for "living space"--as encouragement of its ambitions, that gave it the ability to put its military machine in order and then set it in motion--and against, among others, its covert and overt well-wishers.

People are celebrating the 35th anniversary of the great victory under complex and difficult conditions. The particular segments of U.S. ruling circles that are once again pushing their own nation and the rest of the world onto the path of danger obviously do not want to listen to the voice of history. They want people to forget the lessons of the war that ended in victory on 9 May 1945, so that the cooperative experience accumulated by the powers of the anti-Hitler coalition and the cooperative experience accumulated by states with differing social systems in the 1970's will sink into oblivion. They do not want to give serious thought to the lessons of the cold war either--not even the lesson that it constantly threatened to grow into a "hot" war and literally devoured resources, which turned out to be far from unlimited. And all this is being done at a time when mankind, including the United States itself, has been confronted by extremely serious problems, and many of them can only be solved through all-round and equal cooperation. This kind of cooperation will only be possible if detente becomes stronger, and it will be impossible in an atmosphere of escalated tension and war hysteria.

Whereas some people in Washington want to bring back the bad old days, there are forces in the world today that remember the history of our century quite well and are strong enough to prevent a repetition of the past. Even the people of the United States and of its allied countries are not likely to give up their hope of lasting peace and security without a struggle.

"We know," L. I. Brezhnev stressed, "that the will of the people has cleared a path through all obstacles to the positive avenue in world affairs that is referred to as 'detente.' This policy has deep roots. It is backed up by powerful forces and it has every chance of remaining the major trend in relations between states."

8588
CSO: 1803

SOME FEATURES OF PRESENT-DAY U.S. MILITARY DOCTRINE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80
pp 9-18

[Article by M. A. Mil'shteyn]

[Text] Historical experience shows that when American imperialism is experiencing difficulties or suffering defeats in particular areas of its expansionist foreign policy, the aggressive and interventionist features characteristic of U.S. military doctrine appear particularly sharply and prominently. As L. I. Brezhnev noted in his speech at the voters' election meeting in Moscow City's Baumanskiy Electoral District, "the more imperialism's opportunities to dominate other countries and people decrease, the more fiercely its most aggressive and shortsighted representatives react to this."[1]

That is what is happening now. This is finding expression not only or not so much in the bellicose phraseology so characteristic of Washington's present administration, or in the creation in the nation of sentiments reminiscent of a state of war psychosis, as in specific deeds and actions that are posing a serious threat to the cause of peace.

Just what specific forms are the most characteristic features of U.S. military doctrine and military policy now taking? Above all, these are finding expression in the sharp increase of military spending. For example, U.S. military spending in fiscal year 1981 will total 161.8 billion dollars (in today's dollars), which is an increase of more than 20 billion over the military appropriations originally requested by the administration for fiscal year 1980. Military spending will be increased more than 5 percent in real terms. The constant growth of "real" (that is, taking inflation into account) military spending at more than 4.5 percent per year is envisaged for subsequent years. It has already been announced that in 1982 spending will amount to 183.4 billion (in today's dollars), will then rise to 205.3 billion and 228.3 billion dollars in the next 2 years, and in 1985 will reach the astronomical figure of 253.2 billion dollars. Considering the fact that the budget for fiscal year 1979/80 totals more than 130 billion dollars, it turns out that the United States will be spending more than 1.2 trillion dollars on military purposes over a period of 5 years. It is characteristic here that record U.S. military spending has been proposed by J. Carter, who only a little more than 3 years ago, when he was seeking election to the country's presidency, publicly promised voters he would reduce the Pentagon's spending by 5-7 billion dollars a year.

However, even this kind of increase in military spending seems inadequate to many people in the United States. In an article in the NEW YORK TIMES, F. Ikle, former director of the Arms Control and Disarmament Agency under G. Ford's administration, now a consultant on national security questions, advocates that the U.S. military budget be not 161 billion dollars, or even 250 billion, but no less than 1 trillion dollars. "The sooner this sixfold increase in our defense effort is implemented," he writes, "the more effective it will be."[2] American physicist E. Teller, another champion of the arms race, also claims (in the 18 February 1980 issue of FORBES magazine) that the 5-percent increase in the military budget is not enough.

It should be taken into account that the Pentagon earmarks more than 40 billion dollars from its budget for the purchase of various military equipment, from spare parts to existing weapons to extremely complex new systems. This naturally means an opportunity to make very high profits for the military industry. It is no accident that people in the military-industrial complex are predicting a "boom in the U.S. defense industry."[3] The shares of giant Pentagon contractors such as the Boeing, General Dynamics and United Technologies corporations are rising steadily on the New York Stock Exchange, and other companies, large and small, are also hatching plans for expanded military production.

The United States is simultaneously accelerating the improvement of existing strategic offensive weapons and the production of new generations of these weapons. It is primarily a question of increasing the number of nuclear warheads. Claims that the United States long ago ceased building up the numerical strength of its strategic nuclear forces whereas the Soviet Union is allegedly constantly increasing them have a wide currency. Only one thing about these claims is true: Over the past decade the number of American delivery vehicles has remained at the same level. However, the number of nuclear warheads on these delivery vehicles is growing constantly, and it is precisely the number of warheads and their yield that determine the effective status of strategic forces. Thus, while in 1969 the American missile forces had 1,710 nuclear warheads, at present the total number of nuclear munitions that can be delivered by all vehicles is about 10,000 units.[4] Although the number of delivery vehicles, as already mentioned, is remaining almost constant, the number of nuclear warheads has increased by approximately 1,000 units per year over the last 10 years.[5]

Along with the numerical buildup of nuclear munitions, their yield is increasing. For instance, Minuteman-3 missiles, which each have three

200-kiloton warheads, are being refitted with nose cones that will carry three 370-kiloton warheads, which considerably increases their potential destructiveness.[6] A new generation of ICBM warheads with components ensuring that they can be maneuvered and guided during the terminal phases of their trajectory (the so-called MARV system) is also being intensively developed.

From next year the United States will start producing cruise missiles. The missile submarine fleet will receive new systems of the Trident 1 type. The first such submarine has already been launched and the second is to be launched by summer 1980. The unit of Poseidon submarines is getting new Trident 1 missiles with a range of more than 6,000 kilometers, and by 1984 all Poseidon nuclear submarines are to be equipped with Trident 1 missiles with increased accuracy.[7]

In September 1979 the U.S. President decided to expedite the development, production and deployment of the new mobile MX land-based ICBM, designed to replace the Minuteman-3 missile. It is considerably heavier (as a comparison, the MX weighs 95 tons and the Minuteman-3 weighs 39 tons), will have 10 MIRV'ed warheads instead of the 3 on Minuteman-3's and a considerably greater payload and, what is particularly important, it will be considerably more accurate (it may be equipped with the MARV system). One of the main differences will be the basing system. The existing launchers for the Minuteman-3 missiles are permanently housed in deep silos constructed beforehand--that is, at permanent-basing sites. The new system will consist of 200 MX missiles mounted on transporter-erector-launchers and will have 23 horizontal-type shelters for each transporter-erector-launcher and missile. Thus the missile can be launched from the installation mounted on the transporter either from any point along the track or from a shelter. The constant movement of the transporters and the existence of 23 shelters make it impossible, in the opinion of the system's creators, to hit all the missiles simultaneously in the event of a nuclear exchange. According to the most modest calculations, the cost of this system is estimated at 41.6 billion dollars.[8] The new missile may enter service in the second half of the 1980's, and experts from the London Institute for Strategic Studies, the U.S. Massachusetts Institute of Technology and others believe that, in view of its invulnerability, accuracy, potential destructiveness and number of warheads, the new missile system can effectively be regarded as a first-strike weapon.[9]

It is in this context that the December (1979) NATO Council session's decision to accept the American offer to produce and deploy in Europe 108 Pershing II ballistic missiles and 464 ground-launched cruise missiles with a range of more than 2,000 kilometers should be considered; some of these weapons can carry not one but several nuclear charges. If it is implemented, this decision could lead to a qualitative and quantitative change in both the balance of forces in Europe and the strategic balance as a whole, and to the disruption in NATO's favor of the military equilibrium in Europe. It should be taken into account here that the decision to produce and deploy new nuclear armaments is part of a broad NATO plan adopted under U.S. pressure at the Washington (May 1978) NATO Council session. This plan envisages increasing appropriations for military purposes by many tens of billions of dollars over and above the already swollen military budgets, the adoption of new programs for building up NATO armed forces for decades into the future, and the re-equipping of these forces with increasingly devastating types of mass-destruction weapons.

The emergence of highly accurate nuclear missiles--in considerable quantities, what is more--has prompted, in the United States, the revision of a number of fundamental strategic military concepts in an extremely dangerous direction, especially concepts concerning the possible consequences of nuclear war and the procedure for the use of nuclear missiles in such a war. It is essentially a matter of the fundamental, most vital problems of nuclear strategy--for instance: Can nuclear weapons be used effectively in the interests of solving foreign policy issues? Or: Can there be victory in nuclear war and what would be the cost of such a victory? In other words, to speak more directly, the question is this: Is there to be a nuclear war, or not?

It is well known that for a long time a widespread opinion in the United States was that nuclear war was unthinkable, that there could be no winner in such a war, that a world nuclear war would mean the end of civilization and that whoever unleashed it would be committing suicide. Nuclear forces were regarded, at least in official declarations, not as a means of waging war but merely as a means of deterring and averting it. American official documents and verbal statements by administration spokesmen repeatedly stressed that the huge U.S. nuclear arsenal served, so to speak, as a terrible warning to the other side that, in any circumstances, the United States had the permanent potential for a mighty retaliatory strike capable of inflicting irreparable losses on the other side's population and economy. This is the essence of the concept of "assured destruction" first proposed by R. McNamara back in the 1960's.

Time passed. Presidents came and went, the names of the American doctrines changed--"flexible response," "realistic deterrence"--but the concept of "assured destruction" remained the basic, fundamental concept in the scheme of the U.S. military doctrine. The "assured destruction" section of the U.S. defense secretary's annual report to Congress for fiscal year 1979 said, in particular: "It is important that we always retain the possibility of inflicting unacceptable damage on the Soviet Union, including the destruction of at least 200 major cities in the Soviet Union."[10]

It is believed that, since acknowledged parity in strategic forces exists, the other side has a similar potential for "assured destruction" and, as it were, an objectively existing situation of "mutual assured destruction" has been established between the two sides. In the opinion of U.S. experts, this means: mutual deterrence, acknowledgement of the inadmissibility of nuclear war; the realization that the use of nuclear weapons is fraught with tremendous potential danger to the United States itself.

But it would be naive to believe that everyone in the United States agreed with this in the past or agrees with it now. On the contrary, the whole history of the development of U.S. strategic military thought shows that there has been and is in that country a constant quest for ways to make nuclear weapons "acceptable" and to ensure the utilization of the huge arsenal of nuclear weapons as a means of resolving international problems in its own favor without running the risk of sustaining "unacceptable losses." Of course, this quest and these studies have proceeded and still do proceed behind closed doors, in profound secrecy, and it is only occasionally that the American public learns of them.

The "assured destruction" concept's choice of big targets such as cities and industrial centers as the main objectives for attack was no accident. It was explained largely by the fact that current strategic offensive forces were extremely inaccurate. Thus, according to American figures, the Titan missile, which entered service in 1962, and the first Polaris missiles, which entered service in 1966, had a mean probable error of about 1 kilometer, and the Minuteman-2 a mean probable error of 0.6 kilometers.[11] The gradual improvement in the missiles' accuracy brought into being new strategic nuclear charges against a small number of military targets. That was how the concept of "limited strategic war," still known as the "Schlesinger Doctrine" (at the time he was the U.S. secretary of defense), emerged; since 1974 it has been an integral part of American military doctrine.[12] The accuracy of the Minuteman-3 missile with the Mark-12A warhead, adopted in 1979, is three times that of the Minuteman-2, the Poseidon naval missile (1971) is twice as accurate as the Polaris, and the Trident missiles that will enter service in 1981 are almost four times as accurate as the Polaris.[13]

American strategists were again faced with illusory hopes of making effective use of their nuclear arsenal in the interests of implementing a "position of strength" policy. Criticism of the "assured destruction" concept began in all directions. H. Brown's report for fiscal year 1980 was already saying: "However, unfortunately a strategy based only on assured destruction cannot be regarded as wholly correct. Many Americans are questioning whether we should subscribe to such a strategy."[14] The year before, Brown's report had noted: "Of course we want our forces to be capable not merely of surviving a strike and penetrating the enemy defenses.... A sufficient number of guided missiles and bombers must be used to deliver highly accurate nuclear munitions with both large and small yields. And these forces must be effective against a broad spectrum of targets, including small hardened targets."[15]

In 1977 and 1978 studies appeared--including on the official level--which considered the possibility and advisability of switching to a new "counterforce" strategic concept in view of the improvements in accuracy.[16]

Newspapers and journals published articles urging the need to revise all the conceptual postulates of American strategy. "There is a critical need to revise American strategic and doctrinal concepts," the prestigious FOREIGN AFFAIRS journal said in one article on this theme, for instance. Moreover, it turned out that this "revision has already started, is being analyzed in detail and is being carried out by the U.S. Defense Department."[17]

However, it has been acknowledged that the most intense debate over strategic problems developed in the United States in 1979. This is largely explained by the fact that this was the year of the start of the extensive SALT II debate in the United States, during which vital questions of nuclear strategy were broached and, as a result, 1979 became, as American academic C. Gray predicted, "the year of the most intense debate over fundamental doctrinal problems since the wrongly predicted 'missile gap' between the USSR and the United States of 1959-1960."[18]

Two "schools," two lines of strategic thought in the United States emerged during the discussion. One of them continues to subscribe to the former concept of "assured destruction" (that is, "deterrence through punishment") whereas the other "school" sees effective warfare as the "center of deterrence,"[19] and C. Gray believes there are no consistent adherents of the former concept of "assured destruction" among the American military.[20] For the first time in many years, supporters of this "school" are now speaking openly of the need to devise a concept envisaging not "deterrence" but fighting and winning a nuclear war.

The ideas of the second line of thought are presented in their most concentrated form in the book by Lieutenant-General D. Graham, former director of the U.S. Defense Department's Military Intelligence Agency, bearing the pretentious title "Shall America Be Defended?" Here are some of the most typical remarks: "Many 'outsiders' (he is referring to himself and people like him--that is, people who currently hold no official position--M. M.) believe that...America can and must be defended. Moreover, they believe that unless the United States is prepared for war, for survival and victory in a nuclear war, the Soviet Union, fearing nothing, will start such a war." "In order to gain access to efficient...counterforce weapons and active and passive defense, the United States will have to conclude in 1980 that war is possible and that preparations for fighting that war must begin."[21]

These remarks show just how dangerous a direction current American military thinking is moving in, and all the evidence shows that they are typical not just of "outsiders" but of those responsible for devising U.S. military strategy. "The Carter Administration," the NEW YORK TIMES wrote recently, "has revised its strategy for deterring nuclear war and has adopted a concept envisaging the availability of strategic forces capable of hitting Soviet military targets on a large scale, with the simultaneous capacity for a retaliatory countercity strike."[22] The newspaper adds that the new strategy, the result of months of debates in the Pentagon, represents a significant departure from the concept of nuclear deterrence long regarded as official, which envisaged a retaliatory strike against cities.

In his report to Congress on the fiscal 1981 military budget, Defense Secretary H. Brown admits that the Pentagon "recently completed a radical revision of American strategic policy."[23] The name of the new strategy might be provisionally translated from the English as "compensated" or "balanced" strategy.[24] What this means is that American nuclear strategy envisages various versions of, or scenarios for, nuclear war and that, in contrast to the past, now the United States must have the nuclear potential not just to hit cities and industrial targets. "Therefore we must," Brown declares, "have plans for delivering strikes that would create a more serious threat than strikes against Soviet industry and cities. These plans must include the delivery of strikes against targets constituting the military and political structure of the USSR."[25]

It is obvious therefore that the United States is moving toward the adoption of a "counterforce" concept, which will receive further development and material support in the 1980's as the fundamental concept for the use of strategic forces. At the same time, its adoption also means that the possibility and acceptability of nuclear war are being acknowledged on the official level. It is no accident that the U.S. defense secretary's annual report to Congress says that the "U.S. and NATO strategy takes into account the possibility of first use of nuclear weapons, if this should prove necessary." It is stressed here that high combat readiness must be maintained not only for defense purposes, but also to "mount offensive operations."[26]

The new concept envisaging the use of strategic offensive forces mainly against military targets can essentially be potentially regarded as the concept for a first--that is, disarming--strike, since the constant striving to increase accuracy and the adoption of invulnerable mobile systems lead to the material support of the concept. Those are definite trends--and extremely dangerous ones--in the development of current strategic thinking in the United States.

In highlighting other characteristic features of present-day American military doctrine, one cannot help noting that the United States has essentially returned to the "pre-Vietnam" strategic concept of using its armed forces outside the American continent as a world policeman and is creating a large grouping of armed forces to implement this concept. One would think that the Vietnam War, which was unleashed by the United States and which cost it a huge number of lives and hundreds of billions of dollars, ought to have provided plenty of lessons, especially for those who plan military and foreign policy in Washington. But it is less than 5 years since this shameful war ended and, despite the lessons of Vietnam, these people are again seeking to control the course of world events exclusively by military means and to implement a "position of strength" policy by claiming the role of international policeman.

To all appearances, the only lesson certain figures in the United States would like to derive from the Vietnam war is to learn to ensure that armed intervention is not as protracted as it was in Vietnam. General A. Goodpaster, former NATO supreme allied commander, and S. Huntington, former National Security Council staffer who took part in planning U.S. foreign policy measures, wrote in their book "Civil-Military Relations": "The next Vietnam will most likely last 7 weeks, not 7 years.... The United States will use overwhelming forces to achieve its aims rapidly and resolutely. The emphasis will be on limiting the means."[27]

There is more. Washington's present military doctrine devotes special attention to creating so-called "quick-reaction forces" for intervention operations in regions where there are no military blocs of which the United States is a member. In other words, we are talking about mobile forces for armed interference in the internal affairs of other countries, especially Near Eastern, Asian and Latin American countries. And the Pentagon's plans to form these forces were learned of back in August 1977--that is, long before the seizure of the American hostages in Tehran or the Afghan events.

The President's 1980 "State of the Union" Message to Congress says this about these forces: "We will systematically enhance our ability to respond rapidly to emergencies outside the NATO sphere wherever required by our commitments and whenever our vital interests are threatened. The rapid deployment forces we are assembling will be extraordinarily flexible: They could range in size from a few ships or air squadrons to formations numbering 100,000 men, together with the requisite supporting subunits. Our forces will be prepared for rapid deployment to any region of strategic significance."[28]

These forces' primary task is to strengthen U.S. positions in the Persian Gulf. They will reportedly be based on units of the 1st and 3d Marine divisions, and also the 82d and 101st Airborne divisions.[29] The forces will be supported by 16 special floating bases. It is planned that these floating bases, with reserves of heavy armaments and ammunition on board, could be anchored in strategically important ports abroad to await the airlifting of troops from the United States in the event of "emergencies." At the same time it is planned to buy, as a supplement to the existing aircraft fleet, about 50 of the latest CX transport aircraft, designed to transport tanks and other heavy armaments over great distances. At present the aircraft fleet is based on 77 C-5A transport planes produced by the Lockheed Corporation. Each such plane is capable of transporting two tanks. The forces' composition and support are being planned with the intention that they should be able to conduct combat operations for 60 days without reinforcements or resupply in theaters remote from the United States (for instance, in the Near East). According to preliminary estimates, the total cost of these forces will be 10 billion dollars.

According to the BALTIMORE SUN for 6 February 1980, the formations the Pentagon is planning to transfer to bases in the Near East primarily include the following: one or two fighter squadrons, a battalion of the 82d Airborne Division (1,000 men), a Marine battalion (1,300 men), a Marine landing detachment (2,200 men), a Marine landing group (10,000-12,000 men), an infantry mechanized brigade (8,000 men), 54 tanks and 126 armored personnel carriers. According to Pentagon calculations, the transfer of all these forces may take from a few days to a fortnight; in addition, the same newspaper reports that the Pentagon has elaborated plans and scenarios for using tactical nuclear weapons "in regions other than NATO's sphere."

It is not hard to guess just which regions are meant. It is well known that the Carter Administration singles out three extremely important regions of the world--Western Europe, the Far and Near East, and the Persian Gulf--as regions in which the United States has "vital interests" and which it intends to "defend," if the need arises, by employing military force, including tactical nuclear weapons. The American press has also disclosed a secret Pentagon report envisaging the possibility of using tactical nuclear weapons "in the event of an invasion of Iran."[30]

Therefore, Washington has gone considerably further in planning the use of tactical nuclear weapons than in the "pre-Vietnam" period and is making fairly lavish and reckless promises to use nuclear weapons on foreign territory without considering the consequences of such a move for the United States itself.

Nor can one fail to mention that Washington is changing its policy on armed forces manning levels and is taking measures for a gradual return to compulsory military service. Those are certain characteristic features of present-day U.S. military doctrine and military policy. What is the reason for the sharp intensification of the most extreme trends in U.S. military policy and what aims is the United States pursuing in steering this course?

The formal pretext and, as it were, the cover for all these measures is the myth of the "Soviet military threat," which is being widely fueled and circulation in the country by every available means. For example, the buildup of the military budget is justified chiefly by the claim that the Soviet Union is constantly increasing its military spending. In fact, however, the Soviet Union has not increased its defense spending, and this year it even reduced it, confining its defense budget to the interests of security alone. The decision to expedite the development and deployment of the new MX mobile missile is being justified, in particular, by the claim that the Soviet Union, by improving its heavy missiles, is acquiring a first-strike potential and, therefore, U.S. land-based missiles are becoming vulnerable. However, it is well known--and the Soviet leaders have repeatedly stated this--that the USSR is opposed to the concept of a "first strike" and does not seek to acquire the potential for such a strike. It was also on the pretext of the "Soviet military threat" and under U.S. pressure that NATO made the decision to produce medium-range missiles and deploy them in Western Europe. Therefore, the "Soviet military threat" myth is used extensively, constantly and on every level as the main motif to justify the measures and actions envisaged recently by U.S. military doctrine and military policy.

The real reasons for the new and more dangerous trends in U.S. military doctrine and military policy lie elsewhere. They are determined above all by the serious change toward a policy of diktat and expansionism in U.S. foreign policy as a whole. There has been a sharp turn toward militarization, whereby it is proposed to achieve any foreign policy solution merely by means of military force--the threat or actual use of force. In a televised CBS interview, G. Kennan, former American ambassador to the USSR, stressed in this connection: An extremely disturbing phenomenon can now be observed in the United States, which could be defined as a kind of "militarization of thought" that finds expression in the fact that administration strategists are approaching every aspect of Soviet-American relations with a military yardstick.

And the United States is using this yardstick to measure not only Soviet-American relations, but also relations with many other countries, including Iran. The circles prevailing in the U.S. military policy sphere are those representing chiefly the interests of militarism and the military-industrial complex, which have long militated for a sharp buildup of American military might and have always sought opportunities to break out of the state of equality, hoping to establish military superiority over the Soviet Union with the aid of further spurts in the arms race and the retardation of arms limitation talks.

Thus, it is a matter of attempts to gain opportunities in the military sphere to pursue a "position of strength" policy on both the regional and global scales on the basis of military superiority.

A certain role has been played here by the interests of the election campaign. To please right-wing circles, J. Carter is fueling war hysteria in the country so as to avoid accusations from the right that he is "disregarding U.S. national interests and security." Historical experience shows that, on the threshold of presidential elections, the country's politicians cannot avoid the temptation to make political capital out of the temporary and largely unjustified sentiments of certain circles in the country by acting counter to national interests. It is also certain that the "Soviet military threat" myth has been malevolently exploited by U.S. aggressive circles to pressure Congress to accept new military programs.

A special danger is represented by the trends in U.S. military doctrine aimed at acquiring a "counterforce" potential, at elaborating new views regarding the use of nuclear missile weapons and at adopting highly accurate and mobile nuclear missile systems.

The danger of the aforementioned trends is further increased by the dissemination of ideas in the United States regarding the acceptability of nuclear war and the possibility of winning such a war. Under these conditions, it is not impossible that some people in the United States might be tempted to switch, overtly or covertly, to the concept of a disarming first strike.

At the same time, many sober-minded politicians in Washington are well aware that a new surge in the arms race will add nothing to the safeguarding of U.S. security, whatever the pretext on which it is carried out, and they believe that any attempts to secure military superiority can only destabilize the situation and sharply increase the danger of the outbreak of nuclear war. They realize that there is no further rational path in the arms race and that the "common interests that initially prompted the course of detente are now just as real as they were before. A unilateral weapons buildup, no matter how all-embracing and astronomical the dimensions it acquires, will never ensure U.S. national security."[31] The extent of these circles' influence can be judged only from Washington's future policy, taking into account the fact that the balance of power in the United States between aggressive militaristic forces and the forces of realism and restraint is extremely complex and often shifts to the disadvantage of the latter.

FOOTNOTES

1. PRAVDA, 23 February 1980.

2. THE NEW YORK TIMES, 5 February 1980.

3. See, for example, NEWSWEEK, 4 February 1980.

4. ARMS CONTROL TODAY, April 1979, p 1; "SIPRI Yearbook 1977," Stockholm, 1977, p 24; "Department of Defense Annual Report FY 1981," Wash., 1980, p 77.

5. "SIPRI Yearbook 1977"; J. Collins, "American and Soviet Military Trends Since the Cuban Missile Crisis," Wash., 1978, pp 113-114.

6. "The Military Balance 1978-1979," London, 1978, p 3.

7. "The Military Balance 1979-1980," London, 1979, p 3; "The Military Balance 1978-1979," p 3.

8. NEWSWEEK, 4 Feburary 1980, p 41.

9. "Strategic Survey," London, 1977, p 116; M. Callaham, B. Field, E. Hadjimichael and K. Tsipis, "The MX Missile. An Arms Control Impact Statement," Boston, 1978, p 20.

10. "Department of Defense Annual Report FY 1979," Wash., 1978, p 55.

11. ARMS CONTROL TODAY, April 1979, p 9. The Americans define accuracy in terms of the so-called "average circular error probable"--that is, the radius of a circle around the target in which 50 percent of the targeted warheads may fall.

12. For more about this concept, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 11, 1974, pp 3-12.

13. ARMS CONTROL TODAY, April 1980, p 9; "Military Balance 1979-1980," p 3.

14. "Department of Defense Annual Report FY 1980," Wash., 1979, p 75.

15. "Department of Defense Annual Report FY 1979," p 59.

16. Official works on the "counterforce" theory include: "Planning U.S. Strategic Nuclear Forces for the 1980's," Wash., 1978; "U.S. Strategic Nuclear Forces. Deterrence Policies and Procurement Issues," Wash., 1977; "Retaliatory Issues for the U.S. Strategic Nuclear Forces," Wash., 1978; "Counterforces Issues for the U.S. Strategic Nuclear Forces," Wash., 1978 (all publications of the Congressional Budget Office).

17. FOREIGN AFFAIRS, April 1978, p 562.

18. INTERNATIONAL SECURITY, Summer 1979, p 54.

19. Ibid., p 73.

20. Ibid., p 72.

21. D. Graham, "Shall America Be Defended? SALT II and Beyond," N.Y., 1979, pp 9, 240.

22. THE NEW YORK TIMES, 10 February 1979.

23. "Department of Defense Annual Report FY 1981," Wash., 1980, p 66.

24. In English, "countervailing strategy" (Ibid., p 65).

25. Ibid., p 66.

26. "Department of Defense Annual Report FY 1980," pp 86-112.

27. A. Goodpaster and S. Huntington, "Civil-Military Relations," Wash., 1977, pp 21-22.

28. THE WASHINGTON POST, 23 January 1980.

29. TIME, 4 February 1980, p 9.

30. THE CHICAGO TRIBUNE, 9 February 1980.

31. THE CHRISTIAN SCIENCE MONITOR, 11 February 1980.

CSO: 1803

ARMS SALES AS AN INSTRUMENT OF U.S. FOREIGN POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 19-30

[Article by A. V. Kozyrev]

[Text] Two centuries ago one of the main diplomatic objectives of the United States was the guaranteed delivery of weapons from abroad to repulse the attempts of the colonizers to keep North America under the rule of the British crown by force.[1] In the 1970's the export of weapons from the United States not only became a big profitable business (it accounts for more than 50 percent of the world arms trade), but also turned into a means of carrying out Washington's expansionist policy. During his campaign, J. Carter pointedly criticized previous administrations for their part in creating a situation he described as "amoral," and as soon as he took office as president he officially announced a "policy of restraint" in the export of weapons. He promised that arms shipments would be regarded as "a foreign policy instrument to be used in extraordinary cases" for the purpose of strengthening the "security of the United States or its closest allies." Carter stipulated, however, that the new policy would not affect the NATO countries, Japan, Australia or New Zealand.[2]

That same year--in 1977--the United States expressed its intention to join other states in the search for ways of limiting the international arms trade. Talks on this matter between the USSR and the United States began in December 1977, but they were essentially broken off by the American side a year later.

In the 3 years of the present administration, U.S. leadership in the export of weapons has not diminished to any extent, and has even become stronger. Whereas total exports in fiscal year 1977, according to official data, amounted in monetary terms to 11.4 billion dollars, the figure reached 13.6 billion the next year, in 1978, it was 13.1 billion in 1979 (due to the loss of the huge orders placed by the former shah of Iran) and, according to preliminary estimates, it will go past the 14-billion mark in 1980.[3] "Instead of becoming a 'foreign policy instrument to be used in extraordinary cases,' arms shipments from the United States are still being made on a routine basis,"[4] concluded experts from the congressional staff who prepared a special study on this matter. "Washington's lack of success in the limitation of arms sales" is mentioned in a report prepared within the Senate Foreign Relations Committee. The continuous growth of U.S. arms exports is complicating world affairs, making international efforts to limit the arms trade difficult, and arousing criticism of the administration both within the United States and outside the nation. At the same time, frightened by the very idea of arms trade limitation and, in particular, by the commencement and future prospect of continued talks on this matter with the Soviet Union, the opponents of international detente and the stooges of the defense industry are displaying more energy. They are trying to prove that the foreign policy interests of the United States and "the security of its friends and allies" call for more and more new shipments of weapons and the expansion of this trade rather than its restriction.[5]

The turnabout in President Carter's foreign policy, which has become perceptible in recent months and has indicated framatically increased reliance on military force, apparently also indicates that the supporters of continued and increased military exports have gained--temporarily, we hope--the upper hand in Washington.

Is this really in the interests of the security of the United States and its allies?

Arms Transfer Policy

After World War II the United States became the initiator and main source of arms exports. Its policy was not colored by the requirements of international or American security. The victory over fascism presented an unprecedented opportunity for peaceful cooperation by states, particularly the most powerful--the USSR and the United States. This cooperation could have led to the realization of the will of the people, as proclaimed in the preamble of the UN Charter: "...to insure that armed force will not be used save in the common interest" and that succeeding generations be saved from the scourge of war.

However, aggressive imperialist forces with no interest in this course of development prevailed in the U.S. ruling class. They embarked on a buildup of military strength and on unlimited military, political and economic expansion leading to the establishment of world supremacy. For many years, reliance on military force lay at the basis of the policy directed against the USSR and its allies, reliance on the dictatorial treatment of other countries and peoples. At the same time, military assistance and arms shipments were envisaged for those forces abroad which would serve as a basis of support in the attainment of these goals. The initiators of the cold war maintained that this line was in the "interests of the security of the United States and its friends abroad"; anything that interfered with their plans, on the other hand, was associated by them with the "Soviet threat," "communist aggression" and "subversive activity against the free world."[6]

These "arguments" are still being used by American policymakers today. As we have already mentioned, as early as 1977 President Carter had already excluded even the possibility of any kind of restraint in military shipments to America's NATO and ANZUS allies and Japan. At present, these shipments are promoting participation by these countries in the arms race and the buildup of military preparations by the NATO bloc. Openly challenging the wishes of peoples and the majority of states, wishes which were reflected in the special session of the UN General Assembly on Disarmament that was going on at the same time, the summer 1978 session of the NATO Council adopted a long-range program for increased military efforts, within the framework of which an additional 80 billion dollars will be spent in the coming decade on approximately 100 new types of weapon systems. According to the Western press, this "long-range program" for the arming of NATO includes, for instance, the "joint production" of 15 new types of missiles for ground and naval forces, "new emphasis" on more intensive "electronic warfare," the improvement of the M-60 tank and the development of a new XM-1 tank, equipped with a 120-mm gun, and so forth. The United States is involving its allies more and more actively in the nuclear missile race as well. In December 1979 a NATO Council session was pressured by Washington to plan the production of American medium-range nuclear weapons--Pershing-2 missiles and land-based winged missiles--and their deployment in the FRG, Italy and England. Although these systems will be owned and controlled by the United States, other bloc members will take on part of the expense of carrying out this decision. It should be noted that Washington is tending more and more to regard cooperation with its allies in the field of arms production as a means of dividing the "burden of military spending." Military orders are being filled by French, West German and other companies in addition to American firms.

This has been accompanied by the continuous growth of arms sales outside the NATO group by virtually all of its members. As a result, even if Carter's declared "policy of restraint" in the arms trade were to be actually implemented, it could turn into a redistribution of sales markets among the United States and its allies, a process having nothing in common with the limitation of the international arms trade. It is obvious that this trade can only be successfully and effectively limited if all armament suppliers take part in this effort.

In connection with the Carter Administration's open departure at the end of 1979 and the beginning of 1980 from earlier promises of restraint, it is important to note that Washington has not ceased to act on the assumption that the interests of U.S. security call for the military reinforcement of anticommunist regimes throughout the world. "During Carter's term in office," Professor R. Falk wrote in summer 1979, "this policy has been continued in approximately the same areas...(as under the Nixon and Ford administrations--A. K.). Rhetoric has encountered solid practical obstacles and promised changes in policy have silently been renounced."[7] As early as August 1977 the Carter Administration consented to sell the shah of Iran (the shah's regime spent at least 10 percent of the Iranian gross national product on weapons) 1.3 billion dollars' worth of AWACS system aircraft, while the NATO bloc was not equipped with this system until the end of 1979. More orders from the shah were reported in 1978, including orders for 140 F-16 supersonic fighter planes and 70 F-14 planes at a cost of 18 million dollars each.[8] All of these were "re-engineered modern systems" which, despite the demands for a "policy of restraint," "created new fighting potential."

The United States is continuing its military cooperation with regimes condemned by the United Nations for flagrant violations of human rights, including South Africa and Chile. According to reports in the American press, 40 percent of South African air force planes were partially or totally built in the United States. Although the Pentagon delivers its weapons to the South African racists through third countries, these shipments represent a gross violation of the UN embargo.

"Human rights," NATION magazine reported on 10 June 1978, "are referred to in the vague statement that Washington will 'continue to encourage and support respect for human rights in client countries,' but no restrictions are envisaged on the sale of military equipment to authoritarian governments for repressive purposes. Moreover, in a memorandum submitted to the Congress on 30 June 1977, the administration advised that these restrictions not be imposed, that 'these countries not be offended,' as this could 'harm our regional and global interests.'"

The magazine went on to cite testimony that an important part of U.S. military exports is designated expressly for the police and militarized forces of other states. This equipment includes tear gas, small arms and ammunition for the suppression of "disorders," armored and police vehicles, surveillance devices, prison equipment and instruments of torture. These items are mostly shipped through commercial channels (managed by the State Department's arms control agency) and through Department of Commerce channels. In contrast to orders covered by the government program, these orders do not obligate the companies involved to divulge information and, for this reason, it is difficult to arrive at a precise estimate of shipment volumes. It is most probable, NATION reported, that the figure reaches several hundred million dollars. The magazine noted that although Carter's widely publicized policy in regard to human rights should "prohibit the export of technical equipment for repressive purposes," these shipments are actually "still regarded as completely in line with American national security doctrine." "Mercenary and repressive regimes" everywhere have been supported on the pretext of the reinforcement of "national security,"[9] the CHRISTIAN SCIENCE MONITOR remarked on the second anniversary of the proclamation of the "policy of restraint."

Sales of the latest military equipment to nations of the Near and Middle East have grown. "To guarantee the successful implementation of the Camp David agreements," France's FIGARO remarked on 20 November 1978, "Carter, although he denies this, has had to literally 'buy' the trust of his partners with generous promises of weapons."

These weapon shipments were needed to create a new military-political alliance around the Egypt-Israel axis, made up of regimes prepared to serve Washington's anticommunist strategy. This was frankly admitted by THE NEW YORK TIMES in March 1979: "After Iran ceased to serve as the basis of stability in the Persian Gulf (read: as America's policeman--A. K.), the significance of Saudi Arabia, Egypt and other anticommunist Arab states was greatly enhanced." Consideration was also given to the fact that "Egypt's President Sadat will not be able," remarked the WASHINGTON POST, "to survive politically if his military machine breaks down."[10]

The United States is departing from the principles of its declared "policy of restraint" in military exports in other parts of the world as well. In particular, Washington has announced its intention to "expand military assistance to the neighbors of the Indochinese states, especially Thailand."[11] This policy has nothing in common with the "concern for the security" of these states that is being used as the excuse for its implementation. This policy was not adopted by the United States when the bloody pro-Beijing Pol Pot clique was actually threatening the security of the Southeast Asian states, which is attested to by its aggressive policy toward Vietnam, but immediately after this regime had been overthrown by the Kampuchean people, whose government began to follow a line of national resurgence and good-neighbor relations.

On 12 December 1979 President Carter announced the adoption of a 5-year program for the dramatic buildup of U.S. military preparations. This program includes, as we know, the deployment of new U.S. nuclear missiles in Western Europe. It also envisages increased U.S. military activity outside the NATO framework. A considerable portion of the declared annual increase of almost 5 percent in military spending is to be used in the creation of the "rapid-reaction corps"--this instrument of military intervention.

The militaristic program announced by the U.S. leaders testifies to a more pronounced American threat, not only to the countries of the socialist community but also to the developing states of Africa, Asia and Latin America. The President's National Security Advisor Z. Brzezinski, as THE NEW YORK TIMES reported on 15 December 1979, had this to say about the program: "The United States has finally rid itself of the cautious approach to military spending and possible intervention overseas that it inherited from the Vietnam War."

Whereas presidential candidate J. Carter criticized previous administrations for renouncing direct intervention and replacing it with arms shipments and for their excessive reliance on "force" in their policy in the so-called "Third World," U.S. President J. Carter is apparently trying to reconcile both methods in his campaign for reelection--both the use of force and the provision of weapons.

Recent events in Iran and Afghanistan were used by militant circles in the United States to, as the NEW YORK TIMES reported on 9 January 1980, "accelerate" the Carter Administration's renunciation of "many of the foreign policy goals it declared with great pomp 3 years ago." The newspaper listed the defense of human rights and the limitation of arms exports among these goals. Following the lead of these circles, the Carter Administration took a number of steps, as we know, which increased the danger of war in the world. Among other measures, a decision was made to lift the embargo on the shipment of weapons to Pakistan, which was imposed earlier in response to its plans to develop a nuclear weapon. The head of the Indian Government, I. Gandhi, expressed particular uneasiness in connection with this, stressing that "this weapon could be used against Afghanistan, against us and against even the people of Pakistan themselves." It is obvious that, at a time when acts of armed intrusion into Afghanistan are being committed from the territory of Pakistan, when Islamabad has not renounced its nuclear ambitions and when Beijing is clearly trying to use the "Pakistan factor" for its own subversive purposes, the resumption--and on a larger scale at that--of arms shipments to Pakistan is increasing the threat to stability and peace in South Asia. Moreover, the visit of presidential National Security Advisor Z. Brzezinski to Islamabad in February 1980 proved that the American Administration plans to make extensive use of Pakistan as a bridgehead for aggression against the countries of South and East Asia. Brzezinski called the announced U.S. plans to give Pakistan generous assistance totaling 400 million dollars "only a beginning," according to a report in the 3 February issue of the WASHINGTON POST. Explaining the implications of the continuation of this policy by Washington, the NEW YORK TIMES commented on the same day that "plans for operations involving American troops were discussed" during this visit.

It is important to note the impermissibility of the support the United States has decided to give forces intruding into Afghanistan. The UN definition of aggression, in the last point of Article 3, calls the support by one state of irregular forces and gangs engaging in hostilities against another state an act of aggression.

When we discuss U.S. arms export policy, it would be wrong to say nothing about the primary beneficiary of this policy as a means of enrichment. It is no secret that the implementation of the program of equipment sales to foreign states aided in tripling the size of the industry concerned. On the whole, the profit norm in U.S. defense production, even according to official data, is 1.5-2 times as high as in civilian production. The sale of weapons abroad, however, provides additional opportunities for increased dividends through the use of temporary market factors and speculation. For example, the American Northrop Corporation sold Saudi Arabia 110 F-5 fighter planes at a cost of almost 7 million dollars each in the mid-1970's. The same model of plane was delivered to South Korea for 3 million dollars. In the mid-1970's reports in the United States testified that "the shah of Iran has saved the Grumman Corporation from apparent bankruptcy" by his purchases of weapons, including the latest aircraft.[12] It is indicative that the members of the Pentagon's committee on military exports include representatives of such corporations as United Aircraft, Chrysler, Lockheed, Boeing, General Electric, General Dynamics, McDonnell-Douglas and other companies receiving the largest defense orders.

In this way, the arms trade serves to enrich and strengthen the military-industrial complex. This was discussed in November 1979 by HARPER'S MAGAZINE: "The boom in weapon sales is being created in the government and in industry by interest groups capable of closing their ranks to prevent any kind of reduction in military exports. This bloc is capable of mobilizing congressional support." In order to understand the kind of resistance that is being encountered by some arms transfer limitation proposals, particularly one of the central provisions of Carter's declared "policy of restraint," we must bear in mind that manufacturers profit most from the sale of the newest, most effective and most destructive types of weapons, particularly fighter planes and missiles.[13]

Crisis in Arms Transfer Policy

In the 1970's, despite a quantitative boom, the American arms trade has experienced acute signs of crisis on the political level. This crisis stems from the increasing conflict between the arms trade as an instrument of imperialist policy and the more intense and broader public struggle for the development of the positive processes of detente and for the democratization of international relations. This is not harming the real security interests of the United States, which, just as the security interests of any other country, are served best by an atmosphere of international detente; it is only harming the selfish interests of the aggressive militaristic circles of American imperialism.

This crisis is primarily taking the form of diminished returns on the political level. As the American PROGRESSIVE magazine recently noted, "the mountains of weapons sold by the United States throughout the world have helped to strengthen many dicatorships--in Brazil, Chile, Thailand, Paraguay and other countries. But American weapons were unable to save the fascist governments of Portugal and Spain, keep Haile Selassie on the throne in Ethiopia, hold on to the Portuguese colonies of Angola and Mozambique or save the shah of Iran."[14] The "Vietnamization" of the war in Indochina suffered a massive defeat. Arms shipments could not ensure the goals of the imperialist bloc strategy either. The collapse of CENTO at the beginning of 1979 was new and vivid proof of this. It was directly related to the dissatisfaction of the Iranians with the huge purchases of costly American weapons by the shah's regime and the disagreements between the United States and Turkey over arms shipments.

The possibility of using trade as a means of ensuring support for Washington's foreign policy actions has diminished noticeably. This has already been pointed out more than once even by American experts on international affairs.[15]

This has been accompanied by a dramatic increase in the dangerous and negative effects of military exports on the U.S. interest. Several interrelated tendencies of recent years have contributed to this. Whereas the United States once provided countries with free weapons, now most of the arms are sold. Under these conditions, the buyers are striving for greater independence in defining the size and quality of shipments, as well as in using them. Whereas the first postwar shipments consisted of outdated weapons from U.S. stocks, exports in the 1970's included the best and most destructive weapons.

Scientific and political circles and the American public are more and more concerned about the fate of the newest means of warfare sold abroad. Citing Vietnam as an example, a large group of prestigious American researchers and politicians pointed out the danger that exported weapons could ultimately fall into the hands of the same forces they were to be used against.[16] In connection with the revolution in Iran, the NEW YORK TIMES reported that the Pentagon was worried about the secret instructions and information pertaining to the latest weapons sold to this country in the last few years.[17]

Evidently, this worry was motivated less by concern for the preservation of technical secrets than by the change in Iranian foreign policy, particularly the support of the Arab struggle against Israeli aggression. "The events in Iran," the NEW YORK TIMES noted on 2 February 1979, "demonstrated the danger that modern military equipment could fall into the wrong hands."

Many American observers and politicians are disturbed by the administration's unrestrained arming of Saudi Arabia. Between February and the middle of August 1979 the Pentagon, according to a UPI correspondent, signed agreements worth a total of 3.7 billion dollars on military shipments to Saudi Arabia, which represented 58 percent of all American arms deliveries. On 12 December 1979 the WASHINGTON POST reported that the administration intended to extend Egypt a loan of 2.5-6 billion dollars in the next 6 years for the acquisition of American weapons. The newspaper commented that "the incident involving Iran--after all, the shah was overthrown there after the United States had sold him huge quantities of weapons--is expected to cause some members of Congress to approach the question of extensive military aid in this part of the world with caution." Shipments of the latest military equipment can only exacerbate an already explosive situation and heighten the probability of hostilities.

This also increases the threat to Western oil supplies. In other words, the United States and its allies will gain nothing from expanded arms trade.

It is striking that the authors of the three most prestigious studies of U.S. arms transfer policy, prepared by the United Nations Association of the United States and the Council on Foreign Relations, have almost unanimously advised ruling circles to consider the need to limit shipments of weapons, especially the most modern ones, to the Near East and Persian Gulf zones.[18] Senator W. Proxmire, for example, feels that these shipments are tantamount to adding gasoline to a tank which has blown up numerous times in recent years.[19]

Politicians are also beginning to realize the danger of increased weapon exports in other NATO states. For example, a newspaper published in London, the NEW AFRICAN, reported in May 1979 that, "in such countries as the Yemen Arab Republic, Egypt, Morocco and the Sudan, new programs for shipments of U.S. weapons and the dispatch of advisers can, just as in Iran, have the opposite effect as a result of internal instability, and they will turn out to be 'allies with feet of clay.'"

Along with the increasing futility of reliance on arms sales as a means of preserving the sociopolitical status quo in the world, exports of the implements of war and repression are hampering Washington in its attempts to disguise itself as a champion of human rights in other countries and are causing the United States, as many American experts have admitted, "to unwittingly associate or involve itself with potentially unstable and often unappealing regimes."[20]

A special place among the negative consequences of the American arms trade is occupied by the related threat to world peace, which President J. Carter acknowledged in his speech of 19 May 1977. In the abovementioned special study, compiled in 1975-1976 under the auspices of the United Nations Association with the aid of prominent experts on international affairs (including present U.S. Secretary of State C. Vance, former Director of the Arms Control and Disarmament Agency P. Warnke and others), it was noted that the U.S. practice of selling the latest weapons in the Middle East and other explosive regions can only "escalate local tension and the arms race," "reinforce militaristic tendencies in the client countries," increase the "probability of outbursts of hostilities" and heighten the danger of the uncontrollable escalation of conflicts.[21] Besides this, the authors of this study, as well as the authors of a special work on the arms trade which was published under the auspices of the influential Council on Foreign Relations, point out the fact that shipments of the latest systems, capable of serving as means of delivering nuclear weapons, can hamper international efforts aimed at the non-proliferation of these weapons.[22]

On the whole, there is every reason to conclude, as President J. Carter did in his report to the U.S. Congress on 11 July 1977, that "the possible risk involved in this transfer (of the latest weapon systems--A. K.) is causing many to worry and to think instead about the advantages of a policy of restraint."[23]

Search for Solutions

The realities of life make the limitation of the international arms trade imperative. This has also been officially acknowledged by the U.S.

Administration. It is obvious that the implementation of such premises of the "policy of restraint" as the transformation of arms shipments from a broad-scale and unrestricted business into an instrument to be used in international affairs only in extraordinary cases; the refusal to bring new, improved and more destructive types and systems of weapons into zones where they do not now exist; and the consideration of the purchasers' views on human rights and basic freedoms (naturally, in accordance with universally recognized standards of international law), could be of positive significance.

It is also obvious, however, that the declared policy of "restraint" cannot and will not solve the problem of restricting the international arms trade; and primarily because the U.S. Government has proved incapable of implementing this policy. The main defect of the policy is the fact that it is based on the desire to reconcile the incompatible: to limit the scales and negative consequences of American arms shipments without changing their political import. The program of "restraint" completely ignores the key issue of the purposes for which weapons are being purchased. The American side's policy of ignoring another aspect of the arms trade--the escalation of the arms race within the framework of the NATO and ANZUS military blocs--looks particularly dangerous. The problem of limiting the international arms trade also takes in the problem of disallowing assistance by anyone whatsoever in the arming of China, whose policy now represents a serious threat to security in the world. Beijing's aggression against the Socialist Republic of Vietnam graphically illustrated the criminal ease with which the Maoists resort to weapons. Although the United States has officially announced that it will not sell military equipment to China, certain forces are vigorously working toward this end in Washington, as we have already noted, because they are greatly tempted by the thought of using Beijing's belligerence for anti-Soviet purposes. These forces have been able to bring about a reassessment of the declared U.S. policy regarding shipments of weapons to the PRC. The latest evidence of this was Secretary of Defense H. Brown's visit to the PRC, attesting to the U.S. desire for stronger military cooperation with China. Commenting on the results of the visit, the WASHINGTON POST quoted officials who said that "relations with Chinese military leaders will be developed and strengthened, and this does not exclude the possibility of future shipments of American weapons to China."[24] This course of events would dramatically increase the threat to international peace and security and destabilize the situation in Asia and the world as a whole.

In October 1979 a report was published in Washington by the Senate Foreign Relations Committee, the members of which had concluded after a trip to China that it would be wrong for the United States to assume that it could solve its problems in relations with the USSR by playing the "China card." The United States, the study of the United Nations Association also remarked, should not delude itself into thinking that it can manipulate China.[25]

The prospect of a real solution to the problem of arms trade limitation would be afforded by constructive Soviet-American talks on this matter. The Soviet Union believes that the problem must and can be solved and that advances could be made in Soviet-U.S. talks in this area. The USSR has also put forth concrete proposals, as stipulated in the document "On Practical Steps To Stop the Arms Race," which was submitted for discussion at the Special Session of the UN General Assembly on Disarmament.[26]

Above all, in the Soviet Union's view, the solution must be sought in the general context of international detente, the consolidation of international peace, the liquidation of existing sources of military danger and the prevention of the appearance of new ones. Negotiated political and legal criteria of the permissibility or impermissibility of supplying weapons to any particular buyer, in strict accordance with universally recognized standards and principles of international political and legal thought, as set forth in the UN Charter and a number of UN resolutions, including its adopted definition of aggression, in the Final Act of the Conference on Security and Cooperation in Europe and in other international documents aimed at the consolidation of peace, could serve as an excellent basis for arms trade limitation. On this basis, shipments of weapons to, for example, repressive or undemocratic regimes could be sharply restricted, and this would contribute a great deal to the elimination of sources of tension and the arms race in various parts of the world. Naturally, the inalienable right of states and peoples to receive assistance and support in the repulsion of aggression and in the struggle for national and social liberation would have to be fully guaranteed. This would safeguard the security of peaceful countries and peoples more effectively and diminish their desire to accumulate military potential for self-defense purposes. Potential aggressors would also have to consider these criteria.

But the Soviet stand of defending the legitimate rights of states and peoples under colonial or foreign domination has been objected to by the United States.[27] Two hundred years after the United States won its own independence, the government of this country, which supplies mercenary and repressive regimes throughout the world with incredible quantities of weapons, is trying to refuse to assist people fighting for their own national and social liberation. This attempt, however, is not only incompatible with universally recognized principles of modern international law, but is also contrary to the clearly expressed desires of the international community. The unanimously approved final document of the Special Session of the UN General Assembly on Disarmament particularly stresses that talks on the limitation of the international trade in conventional weapons should give consideration to the "inalienable right of people under colonial or foreign domination to self-determination and independence, and the obligation of states to respect this right."

These criteria could be considered when agreement is being reached on measures to prevent the further spread of some of the more effective, dangerous and destructive types of conventional weapons, by analogy with what is now being done with respect to nuclear weapons. The time has come for this as well. This has been acknowledged by many in the United States and it has been particularly stressed in the abovementioned studies of the Council on Foreign Relations and other works by American researchers.

By the spring of 1978, the Soviet-American talks on the limitation of the international arms trade had already led to the mutual understanding that "the problem of limiting international shipments of conventional arms is urgent and must be solved on a constructive basis, for the purpose of strengthening international peace and security and consolidating detente."[28] Assessing the progress of the Soviet-American talks, the American press spoke of the possibility of "concrete results" and, in general, applauded these talks as "an extremely tempting prospect" for people "believing in a global arms limitation policy."[29]

This prospect, however, evoked sharply increased activity on the part of the opponents of detente in general and the resolution of this problem in particular. On 19 December 1978 the WASHINGTON POST unequivocally named those who oppose the continuation of the Soviet-American talks on the limitation of the international arms trade. These are "Brzezinski and other officials who regard cooperation with the Soviet Union with suspicion, regional branches of the State Department and other institutions striving to protect the interests of their clients." As a result, the American delegation at the December 1978 round of the talks was equipped with "unprecedented," as the newspaper put it, instructions aimed at the unilateral exclusion of East and West Asia from the discussion--that is, precisely the regions where most of the American arms shipments are sent. According to political correspondents, an attempt was made to "torpedo the talks," in order to demand that the administration totally reject the idea of restraint in the arms trade in favor of the more liberal approach to exports that was characteristic of the Nixon and Ford administrations.[30]

The American side's behavior in regard to these talks proves the falsity of the statements about the "Soviet military threat" and the allegation that talks on limiting the arms race are being held up by the "intractability of the Russians." It also exposes the attempts of some circles in Washington to "justify" their demands for the total rejection of the "policy of restraint" by references to the impossibility of gaining the consent of other suppliers to cooperation in the limitation of the international arms trade. They say that the United States' allies are not willing to engage in such talks until the Soviet Union demonstrates its willingness to solve the problem. In fact, however, in contrast to the Soviet Union, England and France, as the NEW YORK TIMES acknowledged as early as 11 February 1978, refused from the very beginning to negotiate the matter. All of this also proves that people in Washington have long been searching for an excuse to abandon the search for a solution, and that references to events in Iran and Afghanistan as reasons for the cessation of talks with the USSR are actually nothing but an excuse.

In connection with the results of the December 1978 round of talks, the Soviet Union expressed its willingness to continue the negotiations and to find ways of resolving problems that arise on the basis of the principle of reciprocity. It reasserted that the success of the talks would depend primarily on whether it would be possible to agree on the political and legal criteria of the permissibility and impermissibility of arms sales and shipments. A great deal will also depend, the Soviet side stressed, on whether the United States gives up its unilateral and selective approach to the discussion of problems, focusing only on regions of interest to it and trying to avoid any discussion of other regions.[31]

The Soviet Union's constructive approach has put those who would like to break off the Soviet-American talks in a difficult position.

The results of the Vienna meeting of General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev with U.S. President J. Carter in June 1977 and the signing of the SALT II treaty gave the world convincing proof that, as L. I. Brezhnev pointed out, the USSR and the United States "are capable of jointly solving even extremely complex and delicate issues."[32]

The Soviet-American communique on the results of the meeting notes that the two sides resolved to take substantive steps toward nuclear arms limitation, with a view to their total elimination, and to successfully conclude other talks in the area of arms limitation and disarmament. The communique lists the negotiations on conventional arms sales and shipments among these talks. "The two sides agreed," the document states, "that their respective representatives would meet soon to discuss questions pertaining to the next round of talks on the limitation of conventional arms sales and shipments."[33]

The Soviet Union remained true to the spirit of cooperation even after the United States' provocative actions in the beginning of 1980. "In contrast to Washington's present extremist position," L. I. Brezhnev said in response to the questions of a PRAVDA correspondent,[34] "our position is that the talks begun in past years in many areas must be continued for the purpose of stopping the arms race."

It is this approach that holds out the prospect of an end to the international arms trade--one of the dangerous channels of the arms race and the exacerbation of international relations in general and relations in various parts of the world.

FOOTNOTES

1. See J. Latane and D. Wainhouse, "A History of American Foreign Policy 1776-1940," N.Y., 1942, p 7.

2. "Conventional Arms Transfer Policy," Statement by President J. Carter, May 1977, Wash., 1977.

3. THE WASHINGTON POST, 30 November 1979; U.S. NEWS AND WORLD REPORT, 3 December 1979.

4. "Implications of President Carter's Conventional Arms Transfer Policy," Congressional Research Service, Wash., 1977, p 97.

5. See, for example, S. Weiss and E. Fromm, "President Carter's Arms Transfer Policy: A Critical Assessment," Wash., 1978; THE NEW YORK TIMES, 17 April 1979.

6. "Strengthening the Forces of Freedom," "Selected Speeches and Statements of Secretary of State Acheson," Wash., 1950.

7. THE NATION, 9 June 1979.

8. THE FINANCIAL TIMES, 12 September 1978; THE NEW YORK TIMES, 7 March 1979.

9. THE CHRISTIAN SCIENCE MONITOR, 26 May 1979.

10. THE WASHINGTON POST, 9 August 1979.

11. DEFENCE NATIONALE, March 1979.

12. FORTUNE, February 1976, p 29.

13. See "Congressional Budget Office, Foreign Military Sales and U.S. Weapons Costs," Wash., 1970, pp VII, VIII.

14. PROGRESSIVE, 28 April 1979.

15. See, for example, "Approaches to Arms Control and Disarmament," 24th Report of the Commission To Study the Organization of Peace, N.Y., November 1976, p 14.

16. "Controlling the Conventional Arms Race," UNA-USA, N.Y., 1976, p 55.

17. THE NEW YORK TIMES, 8 March 1979.

18. "Controlling the Conventional Arms Race," p 61; "Controlling Future Arms Trade," N.Y., 1977, p 35; "Arms Transfers and American Foreign Policy," N.Y., 1979, pp 208-211.

19. HARPER'S MAGAZINE, November 1979.

20. "Controlling the Conventional Arms Race," p 56.

21. Ibid., pp 53, 57.

22. Ibid., p 58; "Controlling Future Arms Trade," p 134.

23. "President's Report to the Congress on Conventional Arms Transfer Policy, July 11, 1977," Wash., 1977.

24. THE WASHINGTON POST, 10 January 1980.

25. "Beyond Normalization," UNA-USA, N.Y., 1979, pp 5-6.

26. PRAVDA, 31 May 1978.

27. THE WASHINGTON POST, 30 October 1978.

28. PRAVDA, 12 May 1978.

29. THE WASHINGTON POST, 2 August 1976; 19 December 1978.

30. THE NEW YORK TIMES, 17 April 1979.

31. See PRAVDA, 26 January 1979.

32. Ibid., 18 June 1979.

33. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 8, 1979, p 126.

34. PRAVDA, 13 January 1980.

8588
CSO: 1803

THE UNITED STATES TAX SYSTEM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 31-40

[Article by Ye. F. Zhukov]

[Not translated by JPRS]

CSO: 1803

NON-WHITE AMERICANS: THE PROBLEM OF 'EQUALITY OF RESULTS'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 41-53

[Article by I. A. Geyevskiy and S. A. Chervonnaya]

[Not translated by JPRS]

CSO: 1803

ELECTION STRATEGY OF THE PRESIDENT

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80
pp 54-61

[Article by B. R. Izakov]

[Text] In order to understand the present campaign strategy of the head of the Washington Administration, it is necessary to go back 4 years into the past, to the previous presidential election campaign.

The mood of the voters was gloomy and pessimistic. American imperialism's many years of war in Vietnam had just ended in defeat. Television brought this war and the atrocities committed by U.S. armed forces--air raids on civilian communities, mass executions and the use of napalm and toxic chemicals--into the home of each American family. The deep split in society due to the dirty war became a fait accompli. The Watergate scandal graphically illustrated that the ruling clique would stop at nothing to attain its goals. The exposure of the criminal actions of the CIA provided a look behind the scenes of the political stage--where bribery, flagrant intervention in the affairs of other countries and even the assassination of foreign statesmen displeasing Washington were going on.

Public opinion researchers ascertained the profound disillusionment of the population and its feelings of alienation from government and both bourgeois parties--both the Republican Party, controlling the White House, and the Democratic Party, dominant in the Congress. Voter alienation threatened to turn into something like a boycott of political institutions. Under these conditions, the Democratic Party, or, in essence, the most influential groups in the nation, decided to present a man from the Georgia backwoods, calling himself an average American, to the voters.

A man with a broad smile appeared in television studios, at public meetings, at factory gates and in shopping centers, unpretentiously introducing himself: "My name is Jimmy Carter and I want to be your president." Although he had already served as state governor and had traveled in "top circles" as a member of the ultra-elite "Trilateral Commission," the presidential candidate took every opportunity to dissociate himself from Washington.

"The Americans have stopped participating in government," he said in a TIME magazine interview. "They have lost faith in their officials, and the time has come to make some fundamental changes. My past experience far away from Washington as a businessman and nuclear engineer has prepared me to take on this responsibility and make these fundamental changes."

As American researchers of the electorial process later commented, "after Watergate and numerous other political scandals had shaken the nation, dissatisfaction with the government gave rise to mounting anxiety, and it was assumed that Carter, with his 'outsider' image, would benefit from this public mood in the election. The cornerstone of Carter's campaign became the mistrust of politicians and he often declared that the primary goal of his administration would be the restoration of public trust in government and political leaders."[1]

When the question of his ideological views came up, the presidential candidate expressed himself quite vaguely. "I am a typical multidimensional man," he explained in an ASSOCIATED PRESS interview. "In regard to some issues I would classify myself as a liberal, but in the case of others I would have to call myself a conservative."

What was Carter's exact campaign strategy in 1976?

His campaign emphasized domestic political and economic issues. Listing the most urgent problems--there are more than enough of these in America today--he ascribed their urgency to the faulty management of President Ford's Republican administration. Promising to cure the nation's ills and put an end to all its troubles, he added: "I will never lie to you."[2]

Let us recall his remarks about the nation's main problems and the promises he made at that time.

Unemployment: Underscoring the high rate of unemployment, especially among youth, he stated: "I am absolutely determined to take the necessary steps to achieve full employment, if possible, in the private sector of our economy" (U.S. NEWS AND WORLD REPORT interview).

Inflation: Criticizing the Republican Administration for the rising rate of inflation, he promised to bring it down to a "reasonable level" and explained: "If we place more emphasis on employment, the rise in the rate of inflation will be absolutely insignificant" (speech in Boston on 23 February 1976).

Urban decline: "Today our cities are America's number-1 economic problem, and I want to work with you to solve the problem of urban America" (address to the mayors' conference in Milwaukee on 29 June 1976).

Taxes: "I would establish a truly progressive tax structure so that those with a high income would pay a higher percentage of their income in taxes" (U.S. NEWS AND WORLD REPORT interview).

The energy crisis: "After the energy problem arose in 1973, the government did not make any serious attempts at working out some kind of national policy. The American oil companies governed our decision-making. The Congress had to act in a vacuum. If I am elected, things will change" (NEW YORK TIMES interview).

The state of the nation: "The prestige of government, as far as its sincerity and honesty are concerned, has suffered severely. Vietnam, Cambodia, Angola, the exposure of CIA activities and Watergate--all of this has tended to undermine our pride and respect, the natural feelings our people had for their government. We are discouraged, we feel alienated, and we are confused. Sometimes we are ashamed of our government" (U.S. NEWS AND WORLD REPORT interview).

Questions of foreign policy took a subordinate place in the speeches of the presidential candidate, but it was naturally impossible to say nothing about them at all. Here too, J. Carter was not stingy with his promises.

Detente: "I approve of the idea of detente. I do not think that we will be able to achieve a permanent settlement in the Middle East without total cooperation with the Soviet Union. Our interests will be served best by stronger cultural exchange, the encouragement of trade agreements and tourism and an exchange of students with the Soviet Union" (interview granted to press representatives aboard an airplane on 29 April 1976).

Defense budget: "Without endangering the defense of our nation or our commitments to our allies, we could reduce present defense spending by approximately 5 to 7 billion dollars a year" (Carter's campaign platform, May 1976).

SALT: "The time has come in the SALT talks to conclude the stage of agreements on ceilings and move on to the central issue--the present talks on the reduction of strategic forces and measures to effectively curb the race for strategic armament technology. The world is waiting for this, but it does not want to wait long" (speech in New York on 13 May 1976).

Troops and bases abroad: "We still have too many military bases and troops abroad" (press conference in Plains, June 1976). "We can reduce our troops in Asia and close some unneeded bases abroad" (Carter's campaign platform, May 1976).

Pentagon: "The Pentagon bureaucracy is wasteful and inflated. There are more generals and admirals now than in World War II and they have much fewer armed forces to command" (Carter's campaign platform, May 1976).

Grain embargo: Speaking at the end of August to farmers at a fair in the agricultural state of Iowa, Carter declared that, if elected, he would lift the embargo on grain sales "once and for all."

In the troubled atmosphere of that year, many Americans believed these promises, although some of them did this reluctantly. The mood of this segment of the voting public was expressed by historian Arthur Schlesinger in an influential New York newspaper: "I plan to vote for Carter," he wrote on election eve, "but it seems to me at times that I am buying a pig in a poke. In the past, when I voted for a candidate, I believed that I knew approximately where he wanted to lead the nation. I do not have this feeling about Carter."[3]

The polls were visited only by slightly more than half of the American voters (53.3 percent). Carter won 2 million more votes than Republican President G. Ford, whose conduct at the wheel of government was thereby unequivocally condemned.

As the years of the Democratic President's term in office went by, people waited for him to keep his campaign promises. But they had to recall the sarcastic remark made by Wendell Phillips, famous 19th-century American journalist: "You will always hear the truth from an American politician when he is over 70 or when he has lost all hope of becoming President."

America's domestic problems have grown even more acute. Unemployment still has millions of workers in its clutches, despite all temporary market fluctuations: According to official data, more than 6 million people were unemployed by the end of last year and, according to economic forecasts, the number will exceed 7 million by the end of the present year. Inflation, which was measured at 5 percent a year 4 years ago, reached 13 percent in 1979, and prices are still going wild. Inner city decline has been even more pronounced. Heavy taxes are still emptying the pockets of the common people. The energy crisis has reached its peak, resulting last year in kilometer-long lines at the gas pumps, but the profits of the oil monopolies are still climbing.

Here is how FORTUNE magazine, the organ of big business, describes the current mood in the nation. In an article entitled "Fear of the Future," it stated: "The average American has been seized by feelings of pessimism and a fear of the future. Alan Greenspan,[4] who served as our magazine's consultant on this series of articles, speaks of a feeling of 'psychological deprivation' in our nation. Americans are plagued, as he puts it, by a 'feeling of hopelessness'--the sense that something terrible could happen to us."[5]

It is no wonder that the prestige of the administration and its head had fallen catastrophically just before the new campaign. This is attested to by public opinion polls. The President's popularity fell to its lowest point in 1979. A survey conducted by the NEW YORK TIMES newspaper and the CBS company last June demonstrated that the number of voters approving of Carter's conduct as President had fallen to 30 percent. Of all the recent American presidents, only Nixon and Truman held such negative records. But Carter's popularity continued to decline, and in mid-September an

ASSOCIATED PRESS and CBS poll showed that only 19 percent of the Americans approved of his actions--in other words, less than 2 out of every 10. This was the lowest assessment of presidential activity in all the time since this question was first included in public opinion polls three decades ago.

What is more, the year of 1980 was approaching, the year of the new election. Carter and his "team" desperately want to stay in the White House for another 4 years. This is particularly true since, according to American beliefs based on traditions of long standing, a President who has to leave office at the end of his first term makes his exit without winning any laurels.

According to the American press, the White House became the scene of an entire series of feverish discussions of Carter's campaign strategy for 1980. The role of the "outsider," the innocent bystander railing against the defects and weaknesses of the Washington elite, has obviously outlived its usefulness. The campaign strategy focusing primarily on domestic issues belonged in the past: It would be wrong to remind the voters of broken promises. This is why a new line was worked out, diametrically opposed to the previous one: This time the campaign was to be conducted with an emphasis on international problems rather than domestic issues. And if there were no problems of this type that could disturb the average American, they would have to be created.

The President's national security adviser, Z. Brzezinski, is a skilled expert in the creation of pressing international problems. During the 1976 campaign, Carter pointedly criticized President Ford for "giving Henry Kissinger complete control" over U.S. foreign policy. "Our foreign policy is conducted almost exclusively by Henry Kissinger alone," he said in a TIME magazine interview. "I do not know of any other example in history in which a President has given the secretary of state so much control over foreign policy decision-making and so much opportunity to represent America as Ford gave Kissinger." What has changed since that time? In place of the German immigrant Kissinger, U.S. foreign policy affairs are now essentially governed by an offspring of the Polish aristocracy--Brzezinski, who nurtures an undying hatred for the community of socialist countries, particularly the Soviet Union. Just as Kissinger, when he took office as the President's national security adviser, he "set his sights" on the office of secretary of state.

From its very first steps, the Carter Administration, especially Z. Brzezinski, made a great effort to undermine detente and to shake the positive foundations that had already been laid in Soviet-American relations in past years. As the campaign approached, this activity took on the nature of a gamble calculated to create the image of a "strong" President, saving America from the countless dangers facing it. This strategy fits in completely with the move from detente to a new escalation of international tension, which has been going on in U.S. ruling circles in recent years.

Last August and September the alarm was sounded in Washington over the presence of a group of Soviet military instructors in Cuba, who were helping the Cuban armed forces master the use of their equipment. A commotion was stirred up over the "Soviet combat brigade" in Cuba. Officials in the administration and in Congress behaved as if there was an immediate danger of a landing in Florida by the "Soviet combat brigade." One alarmist statement followed another, and all types of false rumors were spread. Steps on the governmental level followed: the creation of a Caribbean operational headquarters and an ostentatious set of landing maneuvers in the region of the American Guantanamo naval base in Cuba.

All of this commotion came to nothing when the Americans remembered that the group of Soviet instructors had been in Cuba for many years without any change in numbers. The inventors of the lies had disgraced themselves: This was the case, for example, with a photograph printed in a widely circulated issue of TIME magazine, clearly acquired from official sources and allegedly depicting "an intelligence center built by the Russians in Cuba"; the "intelligence center" was quickly recognized as a building erected by the American International Telephone and Telegraph Company (IT&T) even before Fidel Castro's government took power in Cuba.

The entire world was then thoroughly amazed by the unsavory tale of how the U.S. Administration had employed false rumors and flagrant lies to start an alarmist commotion. In Europe all of this was ascribed to the incompetence of Washington officials, who were also obviously suffering from a nervous disorder. This was actually the first volley of President Carter's campaign. Even though this volley had missed the target, it had the desired effect: It temporarily diverted the attention of the American public away from the disorder of daily life in the United States.

Just a few weeks later, Washington did everything within its power to arouse an outburst of chauvinistic passion in the nation in connection with the seizure of the American Embassy in Tehran by Iranian students. This was followed by the Carter Administration's threat of all types of penalties and armed force. Naval ships carrying aircraft and amphibious units were sent to the Persian Gulf. Official speeches by the President and his advisers set the tone for the mass media's militant statements.

Perplexing questions which arose when the American-Iranian conflict broke out in November drowned in the atmosphere of general hysteria. The main question was why the deposed shah had been allowed--and actually invited—to come to the United States on the pretext that he needed surgery? He had stolen quite enough billions to bring as many surgeons as he wanted to any part of the world. It was not necessary to maintain a huge and widely diversified diplomatic and intelligence system in the Middle East to unerringly predict that, given the present feelings of hatred in Iran for the tyrant and butcher Mohammad Reza Pahlavi, his appearance in New York would have provocative overtones. It would unavoidably have evoked an outburst of indignation in Tehran and the most serious consequences.

Yes, in the intricate pattern of American-Iranian relations there are many mysteries which only time can reveal. But the Iranian events played their part in Carter's campaign: As the next polls showed, the artificially charged atmosphere of national crisis had motivated the majority of Americans to resolve to "rally round the President" by December.

The next major step to undermine detente was the program for the deployment of new American medium-range nuclear missiles in Western Europe. This program had been drawn up long before by the United States and forced on its allies at the December NATO Council session. A decision was made to make Western Europe the site of around 600 cruise missiles and Pershing-2 ballistic missiles, aimed at the Soviet Union and Eastern Europe. What happened in Europe? What could justify the adoption of this monstrous decision? Absolutely nothing. Under the conditions of detente, inter-European contacts were developing peacefully, trade was brisk, and lively cultural exchange had been established. The Soviet Union had made several constructive proposals regarding the reduction of European weapons and had taken unilateral steps in this direction. It was precisely this line of events, however, that displeased influential circles in the United States and, in particular, the Carter Administration--especially in an election year.

The Soviet Union warned that the decision to deploy the new American nuclear missile in Western Europe would make talks on medium-range nuclear weapons meaningless. But the U.S. Administration has only verbally advocated such talks. This has been quite clearly illustrated by the ordeals undergone in Washington by the SALT II treaty.

This treaty, which was signed on the very highest level in Vienna no earlier than June 1979 and which would clear the way for new effective steps toward disarmament, was immediately attacked in Washington. Some senators, thirsting for cheap publicity, indulged in petty criticism of the treaty with the administration's blessing, as if this were an unimportant bill conceived in the brain of a second-rate lobbyist. The ratification of the treaty, which has been awaited, and is still being awaited, by all mankind, was shelved by the administration, and then completely frozen.

At the same time, however, the spiral of the arms race, wound up by the military-industrial complex, is still climbing. In place of the defense budget reduction of "approximately 5 to 7 billion dollars a year" promised by presidential candidate J. Carter, the 5-year military program announced at the end of last year by President J. Carter envisages a 4.5-percent annual increase in military spending--that is, an increase of 6-7 billion dollars or more. By 1985 U.S. military spending should climb to a stupendous figure: more than 250 billion dollars--a quarter of a trillion dollars a year. This kind of program signifies the creation of a supermilitary state armed to the teeth.

By means of persistent "arm-twisting," the same increase in military spending is being forced on the United States' allies.

At the beginning of 1980 the Carter Administration seized upon the events in Afghanistan.

How did these events begin in Afghanistan, the Soviet Union's next-door neighbor? With an undeclared war launched from the territory of Pakistan by gangs of cutthroats armed, financed and controlled by the CIA. It is no wonder the U.S. press has been full of reports--and often extremely exaggerated one at that--on the actions of these gangs and even photographs taken on the spot: This implies American presence. The events reached their culminating point when the Amin clique seized power and brutally murdered Nur Mohammad Taraki, the head of the Afghan State.

Reports from Kabul maintain that Amin was a CIA agent and was acting on its instructions. In the United States this is being denied outright and is being called incredible. But why? The revenge taken against Taraki has many features in common with numerous assassinations committed by the CIA--from the liquidation of Patrice Lumumba in the Congo to the elimination of General Rene Schneider in Chile. Let us recall that in 1975, when a wave of public indignation arose in the United States in connection with the exposure of the CIA's criminal methods, a special Senate commission in Washington was investigating the activities of intelligence bodies. On 20 November of the same year, it published a report entitled "Accusations of Conspiracy for the Purpose of Assassinating Foreign Statesmen." The report admitted the CIA's involvement in the assassination of several such individuals, particularly Patrice Lumumba (Allen Dulles, the head of the CIA, twice sent telegrams, signed by him personally, to his agent in the Congo, ordering Lumumba's "liquidation") and General Schneider, the Chilean Army commander-in-chief who insisted on the observance of the constitution and was a bother to the conspirators. Several attempts were made on Fidel Castro's life.

The report of the Senate commission states: "The commission concluded that employees of U.S. Government agencies initiated and took part in conspiracies with the intent of assassinating Patrice Lumumba and Fidel Castro." The initiation of these "ideas" was condemned in the report, partially because "activity of this kind will almost inevitably become public knowledge." For this reason, the authors of the report concluded, "the commission resolves that premeditated assassinations incited by the United States should be prohibited."

President Ford's reaction to this report was the following statement: "I quite specifically declare that this government, as long as I am part of it, will not be involved in any assassination attempts." The Carter Administration, however, has already provided ample proof that it does not feel bound by the promises of previous administrations.

In any event, Taraki's assassination evokes recollections of the circumstances of Lumumba's "liquidation." Just like Lumumba, Taraki was the founder and leader of a young independent state which had challenged the forces of the old world. Just like Lumumba, he was hampering imperialist plans. Just like Lumumba, he was murdered as the result of a conspiracy involving opportunistic and ambitious individuals from among his closest associates.

All of this testifies that the latest fit of anti-Soviet hysteria in Washington was not motivated by concern over the fate of Afghanistan, but by rage over the collapse of American plans for this country.

Irate speeches are therefore being made abroad. Piles of weapons are being shipped by "airlift" to terrorist gangs in Pakistan. Beijing, which has become imperialism's zealous accomplice, is being involved more and more extensively in the undeclared war. The President's national security adviser, Z. Brzezinski, who could more precisely be called his assistant in the organization of national danger, has posed for photographs with a Chinese light machine-gun in his hands on the Afghan-Pakistani border, near the Khyber Pass, the scene of past imperialist intrusions into Afghanistan.

All of this is playing into the hands of the organizers of the President's campaign.

"What is being done about unemployment?" asks the American voter.

"Think about Iran!" he is told.

"When will something be done to stop inflation?" he asks.

"Remember Afghanistan!" is the reply.

This is how President Carter's campaign is going.

FOOTNOTES

1. "Parties and Elections in an Anti-Party Age. American Politics and the Crisis of Confidence," edited by Jeff Fishel, Bloomington and London, 1978, p 130.

2. Robert W. Turner, "'I'll Never Lie to You.' Jimmy Carter in His Own Words," N.Y., 1976.

3. WALL STREET JOURNAL, 1 November 1976.

4. Alan Greenspan is a prominent economist and the former chairman of the President's Council of Economic Advisers.

5. FORTUNE, 14 January 1980.

8588
CSO: 1803

THE PRESIDENTIAL MESSAGES: MYTHS AND REALITIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80
pp 62-69

[Article by Yu. I. Bobrakov]

[Text] At the end of January 1980, U.S. President J. Carter sent the traditional messages to Congress. Just as always, the first was the "State of the Union Message," in which the administration's domestic and foreign policy goals for the current year were set forth.

The year of 1980 will be a period of campaigns and presidential elections; it will end the 4-year term of the Democratic Administration and will in any case be a year for summing up results: After all, the voters are waiting for the administration's reply to the question of the extent to which it kept its campaign promises and what it can offer the nation in the future. The year of 1980 is also particularly meaningful to Americans in another way: It marks the beginning of a new decade. What will the 1980's bring, and how will they differ from the 1970's? How will the President respond to these questions that disturb and worry Americans?

The 1970's have already been called a decade of "upheavals" and "decline" in the United States. This has been a period of the sharp exacerbation of American economic problems--its cyclical development became more pronounced, reaching its most extreme point in the crisis of 1973-1975, the most severe crisis since the "Great Depression"; rates of economic growth and labor productivity dropped; unemployment increased sharply; inflation sped up to a gallop; an energy crisis broke out; U.S. international economic positions grew considerably weaker; and the dollar crisis became more acute. The decade of the 1970's seriously undermined American trust in U.S. political, governmental and economic institutions.

The nation entered the year of 1980 under the conditions of a mounting new critical economic recession, the symptoms of which had already been apparent in 1979. In the second quarter of the past year, the decline in business activity spread to virtually all of the main branches of the economy, and the gross national product decreased at a rate equal to an annual drop of

2.3 percent. The "mini-boom" in September, which almost gave the administration the hope that the decline of the business curve would stop, turned out to be ephemeral and was followed by a new and more pronounced deterioration of economic conditions. Production cuts took place in the leading branches of the economy, particularly the steel and automotive industries and housing construction. At the end of the year, the wave of white- and blue-collar worker lay-offs began to grow, and tens of thousands of workers joined the army of unemployed.

In spite of all the administration's anti-inflationary measures, the year of 1979 was marked by a rapid inflationary rise in prices. For example, consumer prices rose 13.3 percent that year--the highest rate of increase in the entire postwar period. A new inflationary leap took place in December: The consumer price index rose 1.2 percentage points--that is, 15 percent if calculated for the year.

As U.S. NEWS AND WORLD REPORT pointed out in its last issue for the year, "the economic prospects of the United States in 1980 are unquestionably among the most dismal in the nation's history."

Under these conditions, the President's messages should logically have focused attention primarily on the economic difficulties of the nation, should have assessed them and should have proposed the steps necessary, in the administration's opinion, for their elimination. The real problems of the United States, however, were actually left out of the State of the Union Message and the President's speech in Congress on 23 January. This immediately aroused public interest. Senator E. Kennedy--one of the contenders for the presidential nomination and Carter's rival in the Democratic Party--pointedly criticized the message right away, stressing that it "left certain problems hanging in the air, although the current President was, strictly speaking, elected expressly in the hope that he would solve these problems. The administration, but not the nation, has turned away from these problems, from the people who must live with them each day--people with no jobs or those who are in danger of losing them at any time; families incapable of providing themselves with shelter; parents who cannot send their children to college; sick people who cannot pay for treatment; the elderly who now have to choose between heating their living quarters or having food on the table."

Instead of discussing the nation's truly pressing problems, Carter decided to declare global, great-power aims, worded in the cold war spirit. Present realities were replaced with the old myths about "external threats" to U.S. security, employed for the declaration of insistence on a "leading role for the United States in the world," and candid obsession with force as a means of attaining global hegemonistic goals. Referring to the mythical "challenge on the part of Soviet military strength," the President proposed the disruption of the existing approximate parity of Soviet and U.S. forces and the achievement of American military superiority. He declared: "We must pay any price it takes to remain the strongest nation in the world."

For the attainment of this goal, he proposed a budget program envisaging a constant rise in military spending for years into the future. This line was set forth in more detail in the President's subsequent budget message and in the report of the secretary of defense to the Congress, presented by H. Brown at the end of January. The actual annual increase in expenditures, this report stresses, "will continue at a more rapid rate as we continue to build up our military potential."

Around one-fourth of all budget funds for fiscal year 1981, as proposed to the Congress and totaling 161.8 billion dollars, will be allocated to the Department of Defense. In complete accordance with Pentagon aims, the continued growth of the defense budget is envisaged--to 183.4 billion dollars in 1982, 205.3 billion in 1983, 228.3 billion in 1984 and 253.2 billion in 1985. This escalation of military spending far exceeds all of the indicators just recently predicted by American experts. In 1979 experts from the Brookings Institution remarked that the planned increase in the U.S. defense budget would signify a "radical change in national priorities" and that "the cost of increased defense spending would come out of other (that is, civil--Yu. B.) programs." This new revision of the administration's defense budget program, however, calls for a sharp and long-term increase in military expenditures and signifies the even more intensive cranking of the U.S. military machine with all of the attending negative effects on civilian branches of the economy and the standard of living of tens of millions of Americans.

Sweeping measures have been planned involving all types of weapons and armed forces, with the emphasis on nuclear missile strength. Among other plans, the production and deployment of qualitatively new systems of offensive weapons are envisaged, including the notorious trio of the MX, Trident and cruise missiles. The production of these new weapon systems will not only entail colossal financial expenditures (a sum of 41.6 billion dollars is expected to be spent within just a few years on the development of the MX missile), but will also mean that more and more industries will be drawn into the orbit of military production, the militarization of the economy will continue, the position of the military-industrial complex will grow stronger and it will have more influence in national economics and politics. All of this will put the arms race on a new and even more dangerous level.

The proposed program testifies that the American Administration has taken another step, and quite a large one at that, of capitulation to the military-industrial complex, to which a permanent military economy represents a source of colossal profits. The military-industrial complex and associated forces have constantly opposed the development of international detente and tried to keep the USSR and United States from concluding and implementing agreements. The agents of this complex in the Congress have made every effort to stop the ratification of the already signed SALT II treaty and have simultaneously demanded a substantial increase in Pentagon appropriations. As a result, the Pentagon is receiving more and more tens of billions of dollars while the treaty has still not been ratified.

Although the message mentions the "danger of nuclear war" and confirms the "responsibility of the United States and other countries to work toward stronger guarantees of nuclear non-proliferation," the issue of disarmament is ignored. On 29 January a PRAVDA editorial stated: "The absence of any concrete proposals regarding disarmament in the message proves once again that the U.S. Administration has no wish to search in earnest for mutually acceptable solutions to this most urgent issue of the present day. Evidently, it is no coincidence that this administration has taken every opportunity to impede talks on disarmament."

The further augmentation of NATO's military potential is also planned. The slogan that "the responsibility for NATO's security must be shared by all" is being used by Washington to demand greater efforts in the military sphere from America's partners. The possible effects of the further militarization on the economies of the Western European countries, which are already experiencing acute difficulty, are ignored.

The message to Congress calls the resolution of "pressing international economic problems," among which the energy crisis is given top priority, one of the main U.S. goals in the world arena. The message notes the administration's intention to reduce the nation's dependence on imported oil by converting the economy to other types of fuel, by conserving energy, by developing new fuel technology and so forth. In particular, the objective of considerably increasing coal production and making the United States one of its main exporters has been set. The President also announced his intention to propose, at the coming "summit" meeting of the Western nations in 1980, new joint action to convert the Western economy from oil to other types of fuel. He also reported plans to expand deliveries of natural gas from Canada to the United States and projected gas shipments from Mexico.

In his budget message, Carter requested the Congress to approve his proposal of last year on the taxation of the superprofits of oil corporations, aimed at "keeping part of the profit from the rising cost of energy in the federal treasury. If this is done, the rising price of energy could result in new government capital investments in energy production." The President also proposed the passage of his bill on the creation of a corporation to satisfy U.S. energy needs, to encourage the development of various types of artificial fuel and to provide for the implementation of a "broad new program for the use of industrial alcohol as fuel." The draft budget simultaneously submitted to the Congress envisages increased expenditures on the extraction of crude fuel resources, the development of solar energy, the production of thermonuclear power and the insulation of residential buildings. "If this energy program is carried out, in the new decade we will reduce consumption, increase the production of energy with the use of domestic sources and aid in the development of alternative energy sources. We will considerably reduce our dangerous dependence on foreign oil. We will eliminate a serious cause of inflation."

Although no quantitative parameters were listed in connection with the attainment of the goals set forth in the administration's energy program, it is noted that it will "call for sacrifices." It stresses that the lifting of price controls on domestic oil, planned for 1981, will have "painful effects." "But we cannot implement an energy program built on illusions. Energy is expensive and we must recognize this fact." In this way, it has essentially been acknowledged that the energy program would constitute a sizeable financial burden for the Americans, who will have to pay the petroleum business higher and higher prices for oil and fuel. At the same time, the projected appropriations for power engineering, as specified in the draft budget, do not correspond in the least to the massive scales of the nation's energy problems. In fiscal year 1981, a total of 7.4 billion dollars is to be allocated for power engineering, or slightly more than 1 percent of total budget appropriations.

The administration's energy program actually does not envisage any serious effort to develop oil and gas production within the United States. According to expert estimates, production in the 1980's will remain on approximately the present level (around 420 million tons of oil and 20 trillion cubic feet of gas a year) or will even decrease. The administration's energy policy, adapted to suit the interests of the oil companies above all, essentially envisages the preservation of national dependence on imported oil for a long time. This is the reason for all the talk about U.S. "spheres of vital interests," which are supposed to justify American claims to the natural wealth of other countries.[1]

Measures aimed at curtailing U.S.-Soviet economic cooperation--the limitation of sales of grain and progressive technology to the Soviet Union, new restrictions on other forms of trade and so forth--should become part of the U.S. hegemonistic course proclaimed in the President's messages.

The United States is calling upon its allies to support this course. What is occurring here is the dramatic intensification of a line noticed long ago in Washington circles, aimed at the limitation of trade and economic relations with the USSR. The announced new measures are rending what was almost a tightly woven fabric of bilateral, mutually beneficial trade contacts; they could inflict considerable damage on the development of economic relations between the USSR and the United States and cause them to regress dramatically.

At the same time, it is completely obvious that the attempted economic blackmail of the USSR will not provide its authors and inspirers with the desired results. Moreover, the reduction of trade with the Soviet Union will harm the United States itself, and not only economically. The hostile measures taken against the Soviet Union in the sphere of trade for the sake of dubious goals are exposing the United States to the entire world as an unreliable partner, capable of denying previous commitments due to a "sudden surge of emotions." "By breaking frequently repeated promises,"

---

1. This policy is analyzed in detail in the article by Yu. V. Kurenkov and K. I. Mangushev, "Oil and Energy Strategy," in issue No 1 of our magazine for 1980--Editor's note.

BARRON'S NATIONAL FINANCIAL WEEKLY wrote, "the President has undermined the already shaky faith in the nation even more."

It is not surprising that the administration's trade "sanctions" against the USSR are arousing growing concern in the U.S. business community and the American public. The embargo on grain sales is an attack on the interests of American farmers. Moreover, its negative effects will spread beyond the agricultural sector: A chain reaction could take place in other spheres of the economy. Just the direct budget outlays connected with the administration's promise to give the farmers financial compensation for their unsold grain will total, according to American estimates, around 3 billion dollars, and if all other related costs are included, the "grain embargo," in A. Stevenson's opinion, could increase the federal budget deficit by approximately 10 percent. In turn, the growth of the budget deficit could give prices a new inflationary nudge. The possibility of this effect on the American economy has already been noted in the U.S. press. The NEW YORK TIMES, in an article on the administration's announced measures to alleviate the consequences of the restriction of grain sales to the Soviet Union for the farmers, remarked that "these measures threaten to put an additional burden on the federal budget and simultaneously raise food prices."

The administration's announced policy of building up military strength will result in serious losses for the U.S. economy and the population, on both the socioeconomic and the political levels. Military spending and the militarization of the economy constitute one of the most powerful causes of inflation and rising prices. They contribute to the weakening of the dollar's international position and the decline of its exchange rate and, over the long range, they will also increase unemployment, since the "job-creating" potential of military expenditures, as economic analysis testifies, is much less significant than that of investments in civilian production. The administration's policy will benefit only the defense industry, and it is no coincidence that the stock of corporations engaged in weapons manufacture rose sharply immediately after the announcement of the new military budget program.

The economic report to the Congress says little about the difficulties caused by inflation: "The period of the 1970's was...a decade of inflation. It brought greater insecurity into commercial operations and consumer plans." The report acknowledges that if inflation cannot be curbed, "the inflationary mentality might take hold over the long range." But the conclusion drawn from this could hardly sound reassuring to Americans: "In the future we will either curb inflation or it will indisputably become even more acute."

Promises to "curb" inflation were repeatedly made in the past decade by the Republican Administration and by the Democrats, but "the load is still there." Moreover, inflation is giving rise to extremely pressing problems, and the prospect of its "curbing" looks even more ephemeral now than it did then. What kind of inflation-combating "strategy" is the public being offered now?

This question is answered by the new program set forth by the President in the middle of March to combat the "invisible enemy"--inflation. The proposed measures include a special duty on oil imports, as a result of which gasoline prices in the nation will rise 10 cents a gallon; joint measures with the Federal Reserve System for the further restriction of domestic credit; the "radical" reduction of civilian budget expenditures, particularly a reduction of 2 billion dollars in appropriations for the creation of new jobs; the postponement of social security reform; a "moratorium" on civil service hiring, and so forth. As the President stressed, this program will be "a bitter pill": "We will actually be forced to tighten our belts for the first time since World War II." Calling for new sacrifices for the sake of progress in the fight against inflation and ordering the strictest budget economy (a balanced federal budget was promised for fiscal year 1981), Carter is simultaneously protecting the inviolability of huge military appropriations.

In the past decade the federal budget deficit in the United States became chronic, and in fiscal year 1980 it was almost double the figure for the previous year (40 billion and 23 billion dollars respectively). Carter has promised to reduce the deficit to 16 billion in fiscal year 1981, but this again is nothing more than a promise. The new escalation of military spending, undertaken for the long range, threatens to make this problem even more acute.

The President's economic report expressed the hope that, although recession in 1980 will increase unemployment to 7.5 percent in the fourth quarter and reduce the gross national product by 1 percent, it will at least alleviate inflationary pressure. "In the 12 months of this year," the report states, "consumer prices are expected to rise 10.4 percent, in contrast to the 13.3 percent of the past year. By the end of 1980 the rate of inflation, calculated for the year, should be 9-9.5 percent." In January 1980, however, a new inflationary rise in prices was already taking place, and THE NEW YORK DAILY NEWS called this "a bad sign that inflation in 1980 could be even stronger than last year, despite government predictions that the rate of inflation will be lower than at the end of the year."

In October 1979 the administrators of the Federal Reserve System announced a "new strategy" of credit and finance regulation, designed to alleviate inflationary pressure in the economy. It was stressed that the central bank's line would have to be combined with a policy of budget "restraint" on the part of the administration. The economic report of the President also admits the need for this kind of coordination in economic policy. In fact, however, the projected further swelling of the military section of the federal budget is contrary to this kind of coordination.

The objective of "wage and price restraints in the private sector" was set as a "secondary front" in the fight against inflation. The kind of

The kind of "restraint" businessmen display with respect to prices, however, is well known--last year, for example, it took the form of a new inflationary leap in prices, measured in two-digit figures. As for the rise in wages, it is falling further and further behind the rise in prices.

The economic report also mentions the need for measures to augment labor productivity, "quickly adapt" the economy to energy difficulties and enhance the competitive potential of American goods in the world market. It also discusses the expansion of food production, which is supposed to make the nation less "vulnerable" in the event of new inflationary upheavals in the outside world. In other words, there is a need to augment the effectiveness, considerably weakened in recent years, of the American economy. The President's general statements and appeals, however, are not likely to aid in solving this serious problem because they are not backed up by concrete figures.

In his budget message and his report on the economy, J. Carter had a great deal to say about his intention to conduct a policy of long-range stimulation of national economic growth through the resolution of energy problems and the acceleration of technical progress. "For many years," the first of these documents says, "our nation was the world leader in the development of new technology. Now we are in danger of losing this leading position." The President declared that he plans to keep his "long-ago promise to put an end to tendencies that have taken shape in the last two decades" by gradually increasing appropriations for research and experimental design projects. Appropriations for research and development are to be increased 13 percent, and allocations for fundamental research will rise 12 percent. If the administration burdens the nation with a new round of the arms race, however, it could nullify its own programs for economic stabilization and the eradication of America's difficulties.

An attempt is made in the economic report to estimate the nation's economic prospects in the near future and the possibility of attaining the official goals of federal economic policy, as set forth in the Humphrey-Hawkins Act on Full Employment and Balanced Growth, passed back in 1978. This act envisages the attainment of an "intermediate" goal by 1983--the lowering of unemployment to 4 percent and the average annual rate of inflationary rise in prices to 3 percent. The report, however, analyzes present tendencies and concludes that these goals will be impossible to attain. "The reduction of unemployment to 4 percent by 1983...would require exceptionally high economic growth rates. Attempts to stimulate economic activity for the purpose of achieving growth rates this high would have the opposite effect." In addition, the report concludes, "the drop in the rate of inflation from the 10 percent we expect in 1980 to 3 percent by 1983 is just as unrealistic."

A new, "adjusted" goal has been announced--the reduction of unemployment to 4 percent by 1985, and of price increases to 3 percent by 1988. Therefore, just a year after the passage of the act on "full employment and balanced growth," the administration has had to extend the previous deadlines for the reduction of unemployment and inflation. The goal of "full employment," which was announced almost 35 years ago in the Employment Act of 1946, is still only a promise, confirming once again that capitalism is incapable of "eradicating" unemployment and bringing about the actual stabilization of economic growth.

Assessing the current economic situation in the nation, the President stated in his messages that "the process of reviving economic activity will apparently slow down this year" and that "the gross national product will decrease slightly in 1980, followed in 1981 by the resumption of economic growth, although at a moderate speed."

American press reports on the messages have assessed the situation in a much more realistic tone, stressing that the present state of the economy could seriously hurt Carter's chances in the coming election. "The nation's economy, which is in a fairly sorry state due to uncontrollable inflation and impending recession with a highly probable increase in unemployment," the NEW YORK DAILY NEWS remarked, "is a time-bomb, which still threatens to undermine President Carter's chances of re-election."

The presidential messages clearly reveal the administration's attempt to divert the attention of the American public away from its latest domestic and foreign policy failures. But no rhetoric can cover up the truth for long. And the truth is not inspiring any kind of high hopes in the average American.

8588
CSO: 1803

CANADA: THE LIBERAL COMEBACK

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 69-76

[Article by S. Yu. Danilov]

[Not translated by JPRS]

CSO: 1803

OPERATING THROUGH ISLAMABAD

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 77-80

[Article by A. D. Portnyagin]

[Text] The repressive Zia-ul-Haq regime in Pakistan, which was being pointedly criticized by the U.S. Administration just a few months ago, has now become one of Washington's dearest allies. In February 1980 Islamabad was visited by no less a top-level official than presidential National Security Adviser Z. Brzezinski, who was accompanied on this trip by Deputy Secretary of State W. Christopher and a group of top-level Pentagon officials.

Despite the atmosphere of secrecy in which the American delegation conducted talks there, it is a well-known fact that Washington is trying to turn Pakistan into a bridgehead for preparations for aggressive actions against countries in this zone, imposing even broader military cooperation on Islamabad than during the period when the United States and Pakistan were linked by the aggressive CENTO and SEATO blocs. Moreover, the American aid of 400 million dollars offered to Islamabad was called "only the beginning" of the more generous military support the Zia-ul-Haq regime could receive in the near future if it presents the United States with new opportunities for intervention in the internal affairs of Pakistan's neighbors. Moreover, the Pentagon is making plans for the long-term use of Pakistan's air force and naval bases on the pretext of "protecting American vital interests." As the WASHINGTON POST stressed, new agreements with Pakistan could lead to the stationing of American tactical air squadrons and the acquisition of military facilities in this region. Some American strategists believe that the United States should plan to build its own air force and naval bases in this country.

And again, for what seems to be the hundredth time in the last 30 years, assurances came from Washington to the effect that the American weapons "would not be aimed at India." A delegation headed by experienced diplomat and former U.S. Secretary of Defense C. Clifford arrived in New Delhi for the purpose of convincing the Indian Government of "invariable support" from the United States, including military assistance, if Islamabad should resort to an all-out conflict with India. Clifford assured the Indians, as the NEW YORK TIMES reported, that "the assistance of Pakistan is not directed against India, but will merely help to strengthen security in this region." What we are seeing here is the old imperialist "divide and conquer" policy, intended to create the necessary conditions for the United States to decide the fate of the people of the South Asian subcontinent.

The "saturation" of Pakistan with weapons, the establishment of a network of military bases in this region and the deployment of a powerful squadron of ships in the Indian Ocean naturally do not fit in with statements by Washington's emissaries regarding the desire to "strengthen security."

The actual worth of these assurances is also attested to by the experience of past decades. For example, an American-Pakistani agreement was signed in Karachi in May 1954 on military aid to Pakistan, which contributed much to the exacerbation of relations between Pakistan and India and brought the threat of war, as Jawaharlal Nehru pointed out in one of his speeches, directly to the Indian border. At that time, U.S. President D. Eisenhower was also assuring J. Nehru that Pakistan would never use American weapons against India, and that even if this did happen, the United States would answer in the affirmative to any Indian request for assistance. These statements were repeated in March 1956 by then U.S. Secretary of State J. Dulles when he arrived in New Delhi after the end of a SEATO Council session where Pakistan's claims to Kashmir were recognized. He also declared that the United States would not allow Pakistan to use American weapons against India. In 1959 an American-Pakistani "agreement on cooperation" with definite military aspects was concluded.

In subsequent years, the United States constantly sent Pakistan weapons while it constantly sent India "firm" assurances of the impossibility that these weapons would be used against a neighboring state. This was the case until 1965, when the Indian-Pakistani conflict broke out, during which time American weapons supplied to Pakistan were used against India. Moreover, despite Washington's announced embargo on sales of weapons to the South Asian countries in 1965, the United States continued, either directly or through third countries, to increase the military potential of Pakistan, which the latter then set in motion against India in 1971.

Islamabad's accumulation of weapons with Washington's assistance, as people are anxiously noting in the majority of countries in this region, is increasing tension in South Asia and precluding the improvement of Indian-Pakistani relations, which began with the signing of the Simla Agreement in 1972. Prime Minister Indira Gandhi informed C. Clifford when he was in New Delhi in February 1980 that shipments of weapons to any country in the region, including Pakistan, would increase tension. Past experience, she said, testifies that the shipment of weapons to Islamabad always incites it to more pronounced adventurism.

Carter's notorious policy of "defending human rights" looks just as hypocritical against the background of Washington's overtures to the Pakistani Government. It is known that a ban on military, economic and all other types of aid to countries which flagrantly violate democratic freedoms lies at the basis of this policy, at least according to its author's assertions. It is obvious that the Pakistani regime, which is distinguished by the brutal suppression of political opposition, the prohibition of general elections, strict censorship and discrimination against ethnic minorities (and there is a state of emergency in the nation besides), must be regarded as completely "democratic" in Washington since it is being given military and economic aid.

The phony protectors of human rights in Washington have always had conclusive evidence that American weapons have been used, and are still being used, by reactionary regimes against democratic forces and ethnic minorities in their own countries. This was the case in Iran under the former shah's rule and it was and is the case in Pakistan.

"Twice in the last decade," the NATION remarked, "weapons and ammunition supplied by the United States have been used by the Pakistani Army not to ward off an outside aggressor, but to brutally suppress its own people." It is true that the military Pakistani regime took repressive actions against Eastern Bengal in 1971, refusing to recognize the results of democratic elections, and conducted repressive operations against the Pakistani province of Belujistan in 1973, bringing about 4 years of civil war. Today the Zia-ul-Haq dictatorship is using repressive methods that "have not been resorted to by a single government of Pakistan in all its independent existence," writes NATION magazine.

The facts testify that the policy of "defending human rights" is permeated with hypocrisy and deceit, regardless of the area in which it is employed by Washington to justify its imperialist ambitions, and is immediately relegated to the background whenever the question of U.S. strategic interests arises or whenever the long-term plans for the establishment of American supremacy in this part of the world are concerned. Carter's "tough" line is directed against the Soviet Union, Afghanistan and a number of other states in this region. In connection with this, the WASHINGTON POST unequivocally remarked: "The most important consideration is that Pakistan is situated quite well geographically, as it provides a base for the support of Afghan rebels, convenient locations for air fields and naval facilities in support of Carter's commitment to defend the Persian Gulf, and possible sites for the kind of technical reconnaissance devices that were previously located in Iran."

It is becoming obvious that the fall of the shah, the loss of Iran as a protector of U.S. imperialist interests and the disintegration of the SEATO and CENTO blocs, through which Washington conducted its aggressive policy, have led to reliance on Pakistan, on its more reactionary circles. It was no coincidence that J. Carter announced, when he addressed the editors of small-town newspapers in February, that the United States would like Pakistan, Iran and Turkey to unite and establish, with the Pentagon's military support, a "first line" of defense (the "second line," according to Washington's plans, is to consist of an alliance of Moslem states, naturally including the oil-producing countries; the "third line" is to be made up of the large capitalist countries with, in J. Carter's words, "vital interests in the Persian Gulf zone").

In this simple design for the tri-level defense of imperialist interests, it is not difficult to discern the idea of a multilateral alliance, apparently intended to replace the CENTO military-political bloc, which collapsed in 1979 and in which Pakistan occupied a prominent place. Besides this, Washington hopes to involve its allies and friends, including China, in this flirtation with Islamabad and the promise of generous tips in American dollars to Zia-ul-Haq. It is exerting pressure on its NATO partners, demanding their participation in the military assistance of Islamabad and the organization of military provocations against Iran and Afghanistan. In this connection, NEWSWEEK magazine commented: "Washington hopes that its allies will throw in fighter jets, helicopters and cash."

Great hopes in Washington are also associated with Beijing's active participation in the formation of diversionary groups within the territory of Pakistan for dispatch to Afghanistan. The anti-Afghan and anti-Indian Washington-Beijing-Islamabad "axis" is now acquiring definite outlines. According to reports in the American press, Z. Brzezinski, bypassing Congress, agreed to the use of American military planes for the transport of Chinese weapons to the bandit detachments operating against Afghanistan from Pakistani territory. But the Beijing leadership, which has been on the same team as international imperialism in recent years in the suppression of the national liberation movement, the escalation of tension, the stimulation of the arms race and the frustration of initiatives aimed at the reinforcement of the process of detente, did not wait for official confirmation of this agreement and began to transport weapons and ammunition for the Afghan counterrevolution to Pakistan over the Karakorum highway.

What could this unexpected generosity on the part of the United States and its allies bring Islamabad in the future? Its old military bond with Washington through aggressive blocs has already seriously damaged the political and economic development of Pakistan. Pakistan has experienced considerable financial and economic difficulties as a result of the constant growth of military expenditures, which rose to 800 million dollars in recent years. Its present military cooperation with the United States will apparently increase this sum substantially and lead to the further growth of Pakistan's foreign debt, which already exceeds 7.3 billion dollars (more than 2 billion of which it owes the United States). The militarization of the country and the formation of an alliance with the largest imperialist power to the detriment of national and regional interests will frustrate the Pakistani people's desire to see their nation take its place among the non-aligned states--a goal which Pakistan initially pursued when it withdrew from all military-political blocs. But the arms race will have an even more negative effect on prospects for lasting peace and security in South Asia (in which the Pakistani people are also interested), since any "security structure" based on the buildup of military potential, such as the one the United States is now trying to force on Pakistan, will eventually lead to new military conflicts.

It should be noted that the expansion and modernization of Pakistan's military potential constitute one element of the military preparations that are going on in the vast Indian Ocean region, connected with the unprecedented buildup of American air and naval forces and the plan to build new military bases. Washington is striving to use the naval fleet led by attack aircraft carriers, now situated near the Southwest Asian coastline, for more than a blockade of Iranian ports and military intervention. It plans to gain long-term benefits from this, calculating that the concentration of U.S. air and naval forces will allow it to maintain its military presence in the 1980's after its reduction (a step which Washington will most probably have to take at the insistence of littoral states) on a higher level than in the 1970's, and thereby "legitimize" the United States' status as a military power in the Indian Ocean (this is also the reason for the attempts to acquire military bases not only in Pakistan, but also in Kenya, Somalia, Oman and Saudi Arabia).

Today the United States is trying to gain time. It is relying on the Zia-ul-Haq regime because it lost the shah in Iran and was unable to keep the Amin dictatorship in power in Afghanistan. But Islamabad is now raising the stakes in the game. A representative of the Pakistani Government declared that 400 million dollars is a negligible sum in comparison to, for example, the billions offered to Israel.

Pakistan's involvement in the arms race is now connected with the lies being spread by the United States about the "Russian war against the Afghan people," about the "Soviet threat to Pakistan and Iran" and so forth. The purpose of these gross lies, as L. I. Brezhnev pointed out in a speech to the voters on 22 February, is clear: "Washington simply needs an excuse for broader expansion in Asia, and it will fabricate this excuse in any way that it can."

8588
CSO: 1803

COMPETITION IN SPACE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 81-83

[Article by A. A. Khabarov]

[Not translated by JPRS]

CSO: 1803

ASPECTS OF THE HOUSING PROBLEM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80
pp 84-93

[Article by Ye. D. Mikhaylov]

[Not translated by JPRS]

CSO: 1803

NATURE PRESERVATION: ORGANIZATION OF MONITORING

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 94-103

[Article by V. I. Sokolov]

[Not translated by JPRS]

CSO: 1803

BOOK REVIEWS

American Two-Party System

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 104-106

[Review by B. N. Pavlov of the book "Parties and Elections in an Anti-Party Age. American Politics and the Crisis of Confidence," edited by J. Fishel, Indiana University Press, 1978, XXXIII + 350 pages]

[Text] The term "crisis of the two-party system" has figured in works by American bourgeois political scientists for several years now. The collection of articles that is being reviewed is interesting because these bourgeois authors have had to discuss the disorders that have stricken the U.S. political structure.

Noting that the two main bourgeois parties are experiencing serious difficulties, J. Fishel, the editor of the work and the author of the foreword, tries to explain this by saying that the present generation of Americans is supposedly living in an "anti-party age" (p XI). He even asserts that the Democratic and Republican parties are already becoming extinct.

Naturally, the future of the American party system is an object of concern not only for Fishel, but also the authors of many other articles (there are 29 in all). They are extremely disturbed by the virtual lack of fundamental differences between the Democratic and Republican parties. In any case, the voters do not see any difference. In reference to the nature of these two main American parties, Fishel quotes Ralph Emerson's description, dating back to 1844, of the two-party system in the United States. Emerson believed that the American "parties are engendered by circumstances; they are not based on any specific principle.... These two parties are identical in their moral nature; they can easily change places."

Facts are facts! It is true that these two parties essentially do not differ from one another because they serve a single purpose--the protection of ruling class interests.

Fishel also cites a view expressed long ago by American political scientist H. McClosky--that "the two parties do not differ in their views on the bases of the political or economic system" (p XXIII), and in particular, McClosky goes on to underscore, on questions of U.S. foreign policy. "The views of Republican and Democratic party leaders differ most in connection with matters concerning their appeal to different population /groups/ (emphasis mine--B. P.) and voter support" (p XXIII).

Each of the parties, as the introduction to the work explains, tries to win the support of the voters making up individual public "interest groups" united by certain common interests, goals and programs. For example, Fishel points out, "the Democratic Party, at least in its domestic political activity, has, ever since the time of F. Roosevelt's 'New Deal,' addressed the interests of organized workers and, consequently, the civil rights movement, and for many years now--conservative white southerners" (p XVII).

Fishel examines the particular material, moral and other stimuli (in essence, all of them are different types of bribery) available to the parties, which generously distribute these bribes during campaigns. These stimuli can include, as he points out, money, contracts, jobs, tax increases or decreases and so forth.

The author tries to look into the future of the American party system. He writes: "The tension brought about by external causes--the emergence of third parties, the spread of methods of 'direct action' or the birth of non-party groups, new economic or military decisions which turn everything upside-down, widespread violence, public discontent and cynicism--will apparently serve as a powerful stimulus for organized innovations in the American party system."

Some of the authors of these articles are pessimistic about the survival of this system. Fishel hastens to correct them. He writes that "the situation that took shape after World War II repeatedly tested the adaptive and innovative potential of the party system." In this way, in a slightly camouflaged form, Fishel asserts that the American two-party system has proved its viability. It is interesting that other authors whose works are included in this collection express their views more clearly on this matter. In their opinion, "despite all of its defects and flaws," the American political system has demonstrated "great flexibility and hidden strength" in the difficult years of the recent past, and they declare with obviously forced optimism: "The predictions regarding its imminent collapse turned out to be false" (p 70).

But let us return to Fishel. Among the factors bringing about the political situation he describes in the United States of the mid-1960's and 1970's, the author points out the following: the increased political activity of black Americans, which first took the form of the non-violent civil rights movement and was later displayed during the riots in northern cities and, during the presidential election of 1976, at the polling booths. This was soon followed by successful, as Fishel writes, demonstrations by other groups: Latin Americans, native Americans, Asian Americans, women, students, Wallace supporters, "irate citizens," blue-collar workers in the coal and automotive industries, teamsters and even homosexuals and senior citizens. The events of the 1960's and early 1970's intensified the continuous struggle between forces for "social control" (pp XIX and XX) and forces for "social change." This is how J. Fishel, in accordance with his own beliefs, describes the radicalization of the masses, a process which actually did take place and which paved the way for progressive changes in the United States.

Another of the factors singled out by Fishel was the longest American war of the 20th century--Vietnam. It is possible that it was not, in his words, any less unpopular among the masses than the war in Korea, but the forms and strategy of opposition to this war were totally different. The demonstrations by the American people against the U.S. war in Vietnam took the form of mass rallies, student sit-ins, marches, persistent attempts to force the closure of defense industry enterprises and widespread agitation for even more resolute draft evasion, the stimulation of antiwar attitudes among American soldiers and the encouragement of as many voters as possible to support peace candidates (p XX).

A bourgeois political scientist could hardly be expected to present a more candid discussion of the truth about the resolute demonstrations of broad segments of the American population against the aggression in Vietnam.

The author says (and he is absolutely correct) that another factor contributing to the situation that took shape in the United States was the "constantly diminishing public support for all American political institutions: a process which began in the mid-1960's and which became stronger under the influence of Watergate and the first forced resignation of a president in American history" (p XX).

Fishel also admits that the situation in the United States was complicated by the appearance of serious interconnected problems in the areas of energy, environmental protection, economics, demography, food supplies and the fight against bureaucratism (p XX).

The two bourgeois parties have long ruled U.S. politics. In the last century, however, fairly noticeable "third" bourgeois parties have sprung up several times and have tried, although unsuccessfully, to find a place in national politics. Fishel also discusses the role of these third parties, noting that these were "Socialists, Populists, Conservatives, Progressives, Liberals (in New York) and American Independents" (p XXV). "But they," Fishel writes, "failed because they could not equip potential leaders and activists with the entire set of stimuli--financial, collective and specific--which had ensured the rule of Republicans and Democrats for more than 100 years" (p XXV).

In fact, the emergence of the third parties in the United States (naturally, with the exception of the Communist Party and the short-lived Progressive Party formed in 1948) was evoked by the desire of the ruling class to prevent the birth of, as V. I. Lenin put it, a mass independent workers party--that is, a truly socialist party--and to create a safety valve to alleviate pressure in the interrelations between lower and upper strata, engendered by dissatisfaction with the system of the two main parties.

In the article on "The Republican Party in American Politics," its authors, Bibby and Hackshorn, correctly point out the following: "The first thing that comes to mind when people think about the Republican Party is that the Republican Party is the party of big business, that it is rich and well organized."

Stewart's article on "The Democratic Party in American Politics" says that "if the Democratic Party wants to realize its full potential in elections, it must transcend the bounds of its traditional structure, earlier described in American political literature as a 'Roosevelt New Deal' coalition" (p 66). According to studies by the Gallup Institute, specially conducted for the compilation of this article, blue-collar workers, individuals with an annual income of less than 7,000 dollars and non-whites, who once made up the nucleus of the New Deal coalition, represented only 38 percent of the votes won by the Democratic Party in the 1972 election (ibid.). For this reason, the author feels that this party can no longer rely only on the support of a coalition whose day is over. Its presidential candidates should not address the voters with speeches that could alienate, for example, union members, Catholics or individuals with a low educational level (p 66). It must be said that here the author has accurately noted the disintegration of the coalition on which the Democrats relied for 40 years.

In an article on election participation in the United States and the vanishing electorate, V. Terrence cites interesting data on the increasing abstention and passivity of American voters. The figures presented in tables covering the 1964-1972 period and the author's gloomy predictions confirm what General Secretary Gus Hall of the Communist Party, USA, said at the party's 21st congress--that "the number of people unaffiliated with either of the two old parties or refusing to support either is higher than ever before." Besides this, Hall stressed, the number of voters who do not choose to vote is also higher than ever before. All of this testifies to dissilusionment with the content of American political life in its present form.

There is no question that the articles in this collection contain interesting admissions of the defects of the American political system. As we can see, however, although the authors recognize, to put it mildly, the defects of this system, they do not in any sense blame them on the conditions of the capitalist order or on the very nature of American monopolistic capital. On the contrary, the authors feel that the U.S. political structure is completely viable and is capable of eliminating agonizing problems. In their opinion, just a little modification, adaptation and improvement will make the American political system totally efficient. The authors naturally strive to understate and even conceal the defects of this system with the aid of eloquent phrases, which are far from harmless because they serve only one purpose--to convince the reader of the alleged broad democracy of bourgeois politics and all public life in the United States. What is more, they try to pass themselves off as objective scholars, "standing above classes," the existence of which is only mentioned by one of these authors.

Brookings Budget Analysis

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80
pp 106-109

[Review by A. I. Deykin of the book "Setting National Priorities. The 1980 Budget," edited by Joseph A. Pechman, The Brookings Institution, Washington, D.C., 1979, XII + 229 pages]

[Text] This work, which examines the federal budget for the latest (1980) fiscal year, is unusual because it is something of an anniversary edition. Ten years ago, in 1970, the first book entitled "Setting National Priorities" was published. It contained a scrupulous and thorough analysis of all of the items in the latest budget. This was not the only reason for the book's appeal. The group of researchers, headed by Charles Schultze, who has since given up his academic career in favor of the seat of director of the President's Council of Economic Advisers, assessed the developmental prospects of U.S. federal budget policy and simultaneously presented a critical analysis of the composition and significance of all major economic programs, relating them to the overall development of the nation's economy. An important feature of this first work, just as of subsequent editions, was the extremely detailed examination of not only ratified and approved programs reflected in the expenditure portion of the budget, but also various alternative versions of White House budget policy.

The latest work, however, is least similar to preceding editions by virtue of its internal content. Apparently, the process of analyzing U.S. economic development in the last 10 years, together with the 10 years of experience accumulated by the compilers of the series, objectively led the authors of this latest book to recognize the need for change in their method of constructing and composing their analysis.

The current volume, just as previous editions, contains a detailed analysis of the economic situation, although it is possible that it has been somewhat reduced in length, and it also presents interesting tables and statistics and explains the connection between budget programs and political decisions made by the Carter Administration. Finally, the authors seem to be striving to remain objective, although this is often achieved by the "silent observer" device (for example, in places where reference is made to the "Soviet military threat," the authors simply repeat the stock Carter-Brzezinski phrases without expressing their own opinion of this rhetoric). Military and civilian budget items are analyzed in depth. A special section is devoted to the problem of inflation and ways of combating it.

The new work appears to be much more precise than the previous books of the series and seems to be filled with concern about the state of the economy and the future prospects of the American economy. The authors display completely justifiable skepticism in regard to the optimistic judgments and cheerful predictions pronounced in official documents and obviously doubt the practicability of the President's budget promises.

The book is shorter than the others. In all probability, this was the result of the disappearance of the large quantities of alternative assessments and versions of budget policy in specific areas that were included in the previous volumes; incidentally, this was one of the most valuable elements of the Brookings analysis. The discussion of various budget alternatives (which were proposed in strict accordance with actual financial and political conditions) has been replaced with the discussion of essentially two versions of budget and economic policy: the official line, as set forth and assessed in the corresponding messages of the U.S. President and in the report of the Council of Economic Advisers for 1979, and the results of the analysis conducted by the Congressional Budget Office, which represent a slightly different but nonetheless official view. The independent author's stand has disappeared. All that remains is the author's assessment of the two abovementioned government positions, and this has conspired to create some distance between the researchers and the essence of their subject matter.

Let us look, however, at the text. The general economic background of the research is apparent on the very first pages of the book: As a result of crisis-combating measures in 1975-1976, the rate of unemployment fell from 8 percent to 5.8 percent by the end of 1978. But the policy of stimulating economic growth showed its negative side--galloping inflation. Consumer prices rose 9 percent in 1978 and the urgent need arose to slow down economic growth. Under these conditions, Carter announced that the chief economic objective for 1979 would be the reduction of inflation and publicly promised sharp cuts in federal spending and the maintenance of the budget deficit at below 30 billion dollars in 1980 (p 1).

This brief excerpt describes not only the state of the economy by the middle of Carter's term, but also notes all of the chief economic problems and conflicts which have confronted the present administration and which, as is already clear, will not be solved before the end of Carter's term in office.

In view of the fact that this Brookings Institution study is primarily an analysis of budget priorities, however, the next page--an amplification of the first--presents a brief description of the "budget situation." According to the authors, it is the following: Federal expenditures grew rapidly until fiscal year 1979 (the annual rate of increase between fiscal years 1976 and 1979 was 11 percent). In order to keep all programs in existence by the end of fiscal year 1979 at their current level, it was necessary to increase budget expenditures by 8.7 percent in 1980, but this would have precluded the reduction of the deficit to 30 billion dollars and would have frustrated the attainment of a major economic objective and one of President Carter's main campaign promises. What is more, the administration, as we know, had promised its NATO partners that it would increase military spending, and this meant, the authors remark, that "the President could only have attained his budget objectives by sharply reducing the growth rate of nonmilitary expenditures" (p 2). The President "kept his promise to increase real military spending by 3 percent, but limited annual salary raises for federal employees to 5.5 percent (far below the rate of inflation--A. D.), repeated his 1978 proposal to restrict public health expenditures, cut the funds for anticyclical programs and recommended many cuts in secondary social welfare programs" (p 2). All of these measures were supposed to reduce the budget deficit in fiscal year 1980 to "only" 29 billion dollars (p 3).

On the whole, the study stresses, the 1980 budget represents an important step by President Carter toward the attainment of the main goals set forth in his campaign platform and, therefore, is of great political as well as economic significance: the reduction of federal spending (to 21 percent of the GNP) and the balancing, finally, of the federal budget (p 23). The rest of the book is essentially taken up by the elucidation of two major questions: firstly, how does President Carter intend to attain this dual goal and, secondly, is this goal attainable at all, considering the political line adopted by the President.

Five factors, according to the authors, lie at the basis of the rapid growth of federal expenditures; they are interrelated, and the main ones are increased expenditures on domestic programs (in the past), the present rapid growth of military expenditures and inflation. These are the key factors contributing to current difficulties and conflicts. As for the first two factors, their interrelationship is explained, as we have shown, in the very beginning of the book, and the primary consideration here is not so much the growth of expenditures on social programs in the past as the present dramatic growth of the defense budget. It is quite another matter that domestic needs demand attention, and the related expenditures should be considerably increased. This is also pointed out several times by the authors.

Inflation, on the other hand, constitutes the center of numerous economic conflicts which hamper the administration's decision-making and impede economic development. This is quite clearly illustrated in the authors' examination of economic and budget prospects for fiscal years 1981-1984. As we know, the Humphrey-Hawkins Act, passed in 1978, stipulates the kind of development in the American economy in the next few years that would reduce the rate of inflation to 3 percent a year and the rate of unemployment to 4 percent by the end of 1983. The assumption is that the rate of inflation will subsequently be reduced to zero. But the goals set forth in this law in regard to rates of economic growth, inflation and unemployment sharply conflict with one another. "Additional stimulation of the economy simply for the purpose of attaining the employment goals specified in this law by the stipulated deadline," the authors write, "would be self-defeating because the result would be escalated inflation, which would necessitate the reduction of economic growth rates, and these measures, in turn, would increase unemployment" (p 11).

In other words, inflation is now public enemy number one. And this is frankly admitted in the work being reviewed: Current domestic and foreign policy goals, the authors write, consist primarily in "the need to reduce the rate of inflation" (p 77). The unprecedented rapid rise in prices in 1979 is severely damaging the economy, particularly because no one knows the reasons for this. It is not so simple, the authors stress, to determine these reasons; they warn against the vulgar conclusions of bourgeois economy (in this case, the truth is more important than the honor of the uniform): Inflation cannot be blamed on rising income levels, particularly the rising salary of workers (p 58). Moreover, the inflationary process has gone so far that "in the end of the 1970's the stimuli of inflation were attracting more attention than its causes" (p 59). In general, the authors conclude, "considering the uncertainty of the present situation, we must avoid the temptation to predict that inflation will be conquered soon. The fight against it will be long and hard" (p 98).

Whereas the roots of inflation cannot be revealed with any certainty, the authors accurately single out one of its main contributing factors: This is the annual deficit in the federal budget, which has only had a positive balance once in the last 20 years. The struggle against this deficit, as we have already seen, is being given special attention by the American President. Carter proposes to reduce the deficit (and then move on to a positive balance) by cutting virtually all types of expenditures on social needs while simultaneously allowing the uninterrupted growth of Department of Defense appropriations. The authors are skeptical about the possibility of reducing the deficit under these conditions and, on the basis of the computations of the Congressional Budget Office, specify the minimum possible federal budget deficit: instead of the promised 29 billion dollars--45 billion or even more. According to the predictions of the Budget Office, unemployment in 1980, just as the rate of inflation, will considerably exceed the level stipulated in the President's economic report, and this will increase the deficit to 40.6 billion dollars; if some of the cuts made by the President are disallowed by the Congress, the deficit will rise to 45 billion, but this will not be the maximum, as an urgent need to reduce taxes sometimes arises during periods of inflation, and this will also increase the deficit (pp 40-43). "In short, the President has submitted such a tight budget to the Congress that it leaves little room for maneuvering" (pp 43-44). The authors' analysis of budget prospects for fiscal years 1981-1984 is even more pessimistic.

The authors state that the administration should base its plans on the premises of the Humphrey-Hawkins Act--that is, the reduction of unemployment to 4 percent and the annual rate of inflation to 3 percent by 1983. In themselves, however, the goals of this law, the authors write, are "unrealistic" (p 45).

The administration, the authors stress, has made its choice in favor of the defense budget, and "these constant increases in military spending reflect a major shift in national priorities." What is more, the authors emphasize once again, "the augmentation of military expenditures is made at the expense of other programs" (pp 161-162). This, strictly speaking, is the principal depressing message of the book. It is depressing because the authors realize that military spending can bring the national economy no good, it can only easily nullify the progress that has been made in the intense struggle to improve economic conditions, and the authors themselves do not have much faith in the Carter Administration's official arguments in favor of a new round of the arms race. Finally, the authors are firmly convinced that the increase in military spending "will not in itself necessarily bring about an increase in military strength. The effectiveness of military spending will depend on the distribution of resources in the defense budget, and this is now a more important issue than the percentage of budget increase or decrease. Besides this, the most important problem in U.S. military policy today...is the determination of the principal military goals of the American Armed Forces," and these goals "are extremely debatable" (p 163). "National security cannot be bought simply by spending more money. At any level of expenditure, defense resources must be effectively allocated for actual military needs. There is now widespread disagreement over the definition of these needs" (p 210).

This is probably the most important conclusion that is unwittingly drawn by the authors of this study, discrediting the policy of Carter and his closest advisers: The accumulation of new mountains of weapons will not guarantee security and will therefore be useless. It is on this disturbing note that the new book of the Brookings Institution ends. The policy of the American Administration, which is leading to the further escalation of the arms race, is being continued with all of its related consequences for the United States.

Conservation and Government

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 110-112

[Review by V. I. Vasin of the book "Energy Conservation and Public Policy. The American Assembly," edited by G. C. Sawhill, Columbia University, N.J., Prentice-Hall, Inc., 1979, VII + 264 pages]

[Not translated by JPRS]

American History Series

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80
pp 112-117

[Review by G. Ye. Skorov of the book "SShA: ot ispano-amerikanskoy do pervoy mirovoy voyny" (The United States: From the Spanish-American War to World War I), Moscow, Nauka, 1975, 368 pages; "SShA: ot pervoy do vtoroy mirovoy voyny" (The United States: Between the World Wars), Moscow, 1976, 493 pages; "SShA v voyennyye i poslevoyennyye gody" (The United States in the War and Postwar Years), Moscow, 1978, 686 pages, all by V. I. Lan]

[Text] There are books on past history that are just as necessary to an understanding of the present as the daily news or reports on current events. The subject of this review, a three-volume study, is one of these works. The author, who has devoted more than half a century to the study of the United States, is well known to the Soviet reader for his monographs, brochures and articles on various aspects of the modern and current history of this nation. This work by V. I. Lan represents a continuation and, to some degree, a synthesis of all that he has written in his long academic career.

The first book covers the period from the 1890's to the first world war. It examines the origins and development of American monopolistic capital, imperialist expansion, colonial conquest and the first steps of "dollar diplomacy," describes the forces opposing imperialist policy and discusses the first steps of the working class in its struggle for its rights.

The second book covers the period between the two world wars. Here, the author analyzes such topics as the role of the United States in World War I and postwar regulation; American intervention in Soviet Russia; the upsurge of revolutionary struggle in the United States under the influence of the October Revolution; the birth of the Communist Party and the campaign against the "reds" in America; the "prosperity" of the 1920's and the world economic crisis of 1929-1933; F. Roosevelt's "New Deal"; the establishment of diplomatic relations with the USSR; the rise of the labor movement, the disintegration of the AFL and the formation of the CIO; neutrality and attitudes toward the Munich Pact.

The third book examines the development of the United States during World War II and the postwar years. The main topics discussed in this book include the outbreak of war in the Pacific; U.S. participation in military operations in various theaters of war and the problem of the second front; the economic results of the war and their effect on the postwar development of the American economy and its militarization; the cold war; the Marshall Plan and NATO; antilabor legislation and McCarthyism; the aggressive foreign policy; the loss of the U.S. monopoly on nuclear weapons; and the economic competition between the two systems. The concluding section of the book summarizes the general deduction of the study and presents a brief analysis of major events up to the mid-1970's.

Just this list of the subjects touched upon in V. I. Lan's work testifies that this is a comprehensive study. It elucidates economic problems, domestic and foreign policy, the structure of government, the social class structure and political parties, the most important events in the political struggle, the labor movement, the black issue and many other aspects of American life. A special place in the work is devoted to an analysis of processes in the economic sphere and their effect on domestic and foreign policy. The development of the United States is examined against the background of changes in the capitalist world as a whole in close conjunction with the struggle between the two systems in the international arena. This gives the work scope and depth.

Lan's research is based on a colossal quantity of sources, a brief overview of which takes up more than 50 pages of small print and is of indisputable academic value in itself. One of the author's main reference sources was U.S. congressional material. It is unlikely that many contemporary historians have made as extensive and productive use as V. I. Lan of transcripts of House and Senate proceedings, published in the official CONGRESSIONAL RECORD, supplements to this bulletin and the documents of numerous committees and subcommittees of the highest legislative body in the United States. The author's discerning approach to these and other materials and his analysis of them from the Marxist-Leninist standpoint allow him to delve deeply into the essence of the events in question, substantiate his own views with many facts from U.S. history and defend his opinions quite cogently.

Besides this, the author employs a unique writing style. He does not impose his own views on the reader, but presents him with a detailed explanation of events, facts and historical evidence, inviting him, as it were, to draw his own conclusions. The author deviates from this approach in only one section, where he summarizes all of his research findings and sets forth his views on each topic of discussion. It is possible that this way of presenting the material, which leaves the reader broad scope for his own conclusions, is, along with the vivid and lively narrative style, the reason for the success of V. I. Lan's work.

The use of many previously unknown or little-known sources allowed the author to reveal the underlying causes of many events more clearly and shed additional light on some matters that have already been analyzed numerous times.

For example, the sections of the first book entitled "The Truth About Trusts" (pp 62-91) and "The Pujo Committee" (pp 252-275) graphically illustrate Lenin's well-known statements about the tendency of capitalism to evolve from free competition into imperialism. The materials presented by the author on the origin and development of the first large American monopolies, such as Standard Oil, the steel trust, the American Telephone and Telegraph Company and the railroad trust, reveal the whole truth about the financial empires of the Rockefellers, Morgans, Vanderbilts and other capitalist magnates, disclose the unscrupulous laws of capitalist competition and graphically illustrate the methods of monopolistic piracy and robbery employed at the turn of the century.

The section discussing the workings of the Morgan financial group's domination are interesting. Lan was the very Soviet academic to reveal the secret of the extraordinary power of this banking dynasty, which had complete control over a tremendous number of corporations although it sometimes owned less than 1 percent of the stock. The secret of this control was Morgan's unique role as the guarantor of securities in the American money market. The American banks could not finance corporations if these did not have guarantors. Morgan was regarded as one of the most solid and reliable guarantors in the business world. "A phone call from Morgan's office," V. I. Lan says, "was enough to guarantee the sale of a certain stock package." Hellwig, expert on banking affairs in the United States, wrote: "Firms value the approval of the omnipotent Morgan so much that they always act on his suggestions without the slightest hesitation" (p 267). It was this that was the reason for Morgan's successful rise to the top of the financial pyramid in the United States.

In a discussion of the reasons for the ineffectiveness of antitrust legislation, which has been in force in the United States for almost 90 years, the author writes: "The antitrust laws have never actually been enforced. It is not only that the two main parties--Republican and Democratic--are attached to the monopolies by personal bonds and depend on them financially, and it is not only that their leaders, the government and decisive forces in Congress in the 20th century have totally represented monopolistic capital. In the United States, any administration and any party in power depends on the state of the economy. Since monopolistic capital has seized key positions in the economy and controls economic levers, a move by the federal authorities against the trusts would be tantamount to knocking over their own props" (p 90). This also applies to the present, considerably more complex interrelations between the federal administration and the monopolistic corporations.

The section entitled "Dollar Diplomacy" is of considerable topical interest. Here the author examines the events of the first decade and a half of the 20th century, when the United States began to export capital more and more vigorously. The author cites American President W. Taft's statement about the U.S. foreign policy of that time: "The diplomacy of the present government is striving to meet the modern requirements of trade relations. In this policy, dollars have taken the place of bayonets" (p 285). This aim was typical of the foreign policy philosophy of a nation which had become the world's banker, but neither then nor later did it keep American imperialism from using bayonets whenever the U.S. Government felt that the interests of American capital were being threatened. It was no coincidence that the "big stick" policy has always been an integral element of "dollar diplomacy" from the time of its birth to the present day.

In the second book, the author examines a broad group of political issues, among which the two opposite political approaches of American ruling circles to the USSR are of decidedly topical interest. One of these, which was characteristic of the Wilson Administration, personifies American hostility toward the first socialist country, while the other, conducted by F. Roosevelt, was based on a sober assessment of realities and the search for mutually acceptable decisions in line with the interests of both states. The first led to the failure of the disgraceful American military intervention in Soviet Russia, while the second led to the recognition of the Soviet State and, later, to cooperation in World War II. Noting that the United States was the last of the great powers to establish diplomatic relations with our country in the 17th year of the Soviet regime's existence, the author quotes the profoundly meaningful words of President F. Roosevelt's official message of 16 November 1933: "I believe that the relations now established between our peoples will always remain normal and friendly, and that our states will cooperate from this time on for their mutual benefit and for the preservation of peace throughout the world" (p 436). These words naturally evoke thoughts of the serious harm that has always been inflicted on U.S. national interests and the cause of peace and security by the political line which ignores the instructions of this outstanding American statesman.

The thorough analysis of the causes, symptoms and international consequences of the economic crisis of the early 1930's in the United States, presented in the second book, is of great interest (pp 298-327). This crisis, which accelerated the development of state-monopoly capitalism, differed considerably from the economic crises of the postwar period, including the crises of the 1970's. The production decline in the United States for a period of 44 months, the 17 million unemployed, the unprecedented stock market crash and the mass bankruptcy of large banks and industrial firms still constitute a unique "record" in the history of capitalist enterprise.

The "Great Depression" of 1929-1933 has been analyzed in dozens of books and hundreds of articles, among which a prominent place is occupied by the book by eminent bourgeois American economist J. K. Galbraith, "The Great Crash, Nineteen Twenty-Nine," published in 1958. Galbraith regards this work as the best of the 17 books he has written. In this work, he lists the five "illnesses" which undermined the strength of the U.S. economy in the 1920's and eventually led to the unprecedented crash: 1) the distribution of national income contrary to the interests of economic development; 2) the wild speculation of holding companies; 3) the peculiarities of the banking structure; 4) the shaky balance of payments, based on two incompatible principles--high customs barriers and massive capital exports; 5) poor economic judgment, based on excessive belief in the dogma of a balanced federal budget and the invincibility of the gold dollar.

It is interesting that long before Galbraith, V. I. Lan presented a detailed analysis, in a work published in 1947, of the first four of the five "illnesses" listed by Galbraith, and this analysis has now been reprinted in the second book (pp 170-177, 203-215, 218-221, 301-302, 363-366).

The material carefully selected and skillfully analyzed by V. I. Lan gives the reader a precise understanding of the specific differences between the crisis of the early 1930's and the economic upheavals of postwar capitalism, and it would therefore be wrong to expect a repetition of the events of those years in our time, as some Marxist researchers believed in the first years after the war. But another conclusion, also drawn by V. I. Lan from an analysis of past lessons, is equally important. In spite of all their differences, the "Great Depression" of 1929-1933 and contemporary crises have something in common--all of them graphically demonstrate the illusory nature of the hope of crisis-free capitalist development, sentence millions of workers and their families to suffering and deprivation and lead to the catastrophic deterioration of conditions in the developing countries, which constituted the colonial periphery of imperialism in the 1930's.

The reader will be interested to learn that the proposal to institute nationwide American economic planning for the purpose of preventing new crises was first set forth half a century ago, and that a special U.S. Senate committee was even formed in 1931, with R. La Follette as its chairman, to look into the possibility of this kind of planning (p 315). To this day, however, nationwide economic programming is still the subject of academic debates in the United States.

The final book examines three groups of topics. The first covers domestic and foreign policy, their reciprocal influence and their interrelationship. This analysis centers around questions of war and peace in the light of Soviet-American relations. The second group of problems pertains to the economic sphere. Attention here is focused on the change in U.S. international economic positions in the capitalist world and the competition between the two systems. The third group takes in social, class and racial conflicts, the political struggle and election campaigns. Examining all three groups of topics, the author shows how the increasing wealth and growth of U.S. monopolies during and after World War II intensified American imperialism's expansion abroad and simultaneously led to the growth of reactionary forces within the nation, accompanied by the persecution of progressive forces and organizations in the United States.

The discussion of the problem of the second front in the third book is of great interest. Lan reveals in detail the overt and covert struggle against the creation of an Anglo-American front in the West at a time when Hitler's Germany had concentrated its main forces on the Soviet-German front in the East. The author quotes H. Truman's notorious statement of 23 June 1941, which later caused such a stir and in which he brought up the possibility of the mutual debilitation of Germany and the USSR, and analyzes the various ruses employed by the opponents of the second front for 2 long years of war, concluding the section with the following words: "In the summer of 1944 the problem of the second front, which had stirred up so much commotion for 2 years, was solved. The first front forced the resolution of this problem. In 1942 many people in the United States insisted on the opening of a second front because they were afraid that the first front was too weak. In 1944 England and the United States hastened to open a second front because they were afraid that the first front was too strong" (p 51).

A great deal of space in the book is taken up by a discussion of the period which entered history with the sinister title of the "cold war." The author describes the role of President H. Truman, former British Prime Minister W. Churchill, U.S. Secretary of State J. F. Dulles, Senator Vandenberg and many other prominent cold war troubadors in the escalation of international tension, the fueling of war hysteria and the exacerbation of Soviet-American relations. The postwar historical study points out in particular that professional bourgeois American historians rationalize Washington's policy in their writings and blame the cold war on the USSR. If we can believe a report in the 29 January 1957 issue of the NEW YORK HERALD TRIBUNE, these authors--historians and experts in other fields of the social sciences--number around 900. For the first time in Soviet literature, V. I. Lan presents an impressive list of works by non-Marxist authors, in which the official U.S. explanation of the causes of the cold war is refuted.

The list includes such famous works as G. Warburg's "The United States in the Postwar World," D. Fleming's "The Cold War and Its Origins," W. Williams' "The Tragedy of American Diplomacy," G. Alperovitz' "Atomic Diplomacy," D. Horowitz' "The Free World Colossus," G. Kolko's "The Politics of War," D. Clemens' "Yalta," L. Gardner's "The Architects of Illusion" and several others. According to these works and other historical testimony cited by V. I. Lan, the cold war was engendered by militant circles in the United States, supported by other imperialist states. It was these circles that cancelled the agreements concluded at the international conferences in Tehran, Yalta and Potsdam, tried to conduct a policy of diktat in relations with the socialist world, openly announced the intention to restore capitalist power in the socialist countries and proposed a strategy of neocolonialism and the retention of the developing countries in the orbit of imperialist policy by force.

The author discusses the real reasons for the creation of the aggressive NATO military-political bloc--the main instrument of struggle against the world socialist system, the national liberation movement and the revolutionary movement throughout the world, and says, quite to the point: "During and before the imperialist era, many aggressive military alliances, from the Triple Alliance of 1882 to the 'anti-Comintern pact' of the fascist instigators of the war in 1936, were called 'defensive' by their creators.... The so-called 'defensive North Atlantic Treaty' worked out a strategy, immediately after its formation in 1949, involving a plan for offensive military operations, envisaging the nuclear invasion of the USSR by U.S. air forces" (p 298).

The systematic classification of all the material used in the work contributes to the author's strict parallel discussion of foreign policy doctrines, their philosophical premises--from isolationism to claims to world supremacy--and actual U.S. policy in the international arena, which, for many years, essentially consisted in "brinksmanship."

Lan contributes much to the elucidation of the main American foreign policy objective of the postwar period--world hegemony. The author examines the two sides of American hegemonism--theory and practice. The first demonstrates its difference from the philosophy of contenders for world supremacy. The author sees this difference in the fact that when American imperialism rejected isolationism once and for all, it began to extend the "open door" doctrine, in a slightly modified form adapted to contemporary conditions, to the entire world. According to American geopolitical strategists, wherever the "door was open," the industrial, technological and financial power of the United States was supposed to ensure a leading position for American monopolistic capitalism.

The other aspect, the practical one, demonstrates the feature U.S. hegemonistic policy has in common with all other known varieties of hegemonism--the use of force as a means of implementing this policy. The author describes how the United States resorted to armed force for the sake of these goals within the first quarter-century after World War II: It intervened in China, fought wars in Korea and Vietnam, landed its troops in Lebanon and the Dominican Republic, became involved in armed conflicts on the coast of China and in Guatemala, the Congo and other countries, kept its 6th Fleet in the Mediterranean and the 7th near the coast of Southeast Asia, encircled the entire globe with its military bases, and headed and armed military alliances which, in contrast to certain past alliances, have a common command and common armed forces.

"Postwar world developments," V. I. Lan writes, "graphically illustrated the impracticability and adventurism of Washington's global policy program and brought this policy to a state of crisis. But the program became firmly entrenched in the minds of U.S. ruling circles and constantly impeded the establishment of cooperative relations between the states of the socialist and capitalist systems, bringing U.S. foreign policy to the point of what Secretary of State Dulles called 'brinksmanship'" (p 169). This conclusion of the author's aids in elucidating the hidden causes of not only many of the events he describes, but also some which have occurred in the international arena in the recent past, and even some that are taking place today.

This applies, in particular, to the actions of the Carter Administration at the turn of the decade, which are working against the cause of peace and security. These actions are undermining detente, increasing international tension and pushing mankind into a new round of the arms race. They reflect the cynical plans of U.S. reactionary circles for world supremacy, camouflaged by talk about the protection of American "vital interests," which are supposedly distributed throughout the world. These actions are not only destroying much that was achieved in international relations in the 1970's, but, in general, are disrupting the established international legal system of relations between states and undermining trust in the United States.

As L. I. Brezhnev stressed in his replies to the questions of a PRAVDA correspondent on 13 January 1980, "as a result of the Carter Administration's actions, the world is beginning to see the United States as a completely unreliable partner in intergovernmental affairs, as a state whose leadership, motivated either by whims, caprices and emotional outbursts or even by considerations of limited immediate advantage, is capable at any time of going against its international commitments and cancelling treaties and agreements it has signed."

One of the most important lessons of the postwar period and, in the broader context, of 20th-century history is summarized by the author in the following words: "By the end of World War II, many politicians and strategists in the United States believed that conditions were ripe for the first time in American history for the dreams of the pioneers of American imperialism to come true, for the plans of A. Mahan, H. Lodge and T. Roosevelt to be carried out, they believed that the 'American age'--the 'Pax Americana'--was finally approaching" (p 593). But these reactionary dreams were not fated to come true.

The formation of the worldwide socialist system, the collapse of the colonial system, the further intensification of national liberation, anti-imperialist revolutions, the upsurge in the international workers and communist movement and the more intense struggle by all democratic and progressive forces against the danger of a new world war proved that world development had taken a different turn and that American ruling circles were not strong enough to stop it.

The objective reality of our day--the radical change in the correlation of world class forces--has forced the United States to realize that there is no reasonable alternative to peaceful coexistence in the nuclear age. The first President to realize this was J. Kennedy, and his lead was followed by many other American statesmen. This was the reason, as the author correctly points out, that the U.S. Government had to talk about the transition from the "era of confrontation to the era of negotiation" (p 594). But even though successive American administrations have agreed to negotiate measures to prevent the continuation of the arms race, to limit strategic weapons and to consolidate international detente, they have displayed inconsistency, have given in to the pressure of belligerent groups and have tried to violate the principle of mutual consideration for the interests of the other side by striving to acquire unilateral advantages.

These attempts, as the author demonstrates, have naturally been repulsed, and will continue to be repulsed, by the USSR and other socialist states. For the socialist community there is no more important objective than the prevention of thermonuclear world war, the guarantee of international security, the move to real disarmament and the further consolidation of detente. This political line is the embodiment of the Program of Peace, which was set forth at the 24th CPSU Congress and further developed at the 25th. The USSR and the other countries of the socialist community are making a massive effort to implement this program.

In conclusion, we will cite another remark by the author of the work being reviewed. "The purpose of historical works," he writes, "is to elucidate the past. Naturally, historians sometimes look into the future in their generalizations and conclusions. When they do this, however, they feel that they are acting above and beyond the call of duty.

"And it is true that the future is generally regarded as an area in which the contemporary historian has no business. But historical research, particularly in our century, unavoidably overlaps with the present and evokes thoughts about past, present and future" (p 617).

Lan's work belongs precisely to this category of research. It stimulates thought, elucidates the course of history and the lessons it teaches and, to some degree, provides insight into the future.

It is this that constitutes its academic value.

The Road to Potsdam

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 117-118

[Review by B. I. Romanov of the book "Put' k Potsdamu" by V. M. Berezhkov, Moscow, Mezhdunarodnyye otnosheniya, 1979, 271 pages]

[Text] This new book by V. M. Berezhkov is the last in his cycle of works on the diplomatic history of the anti-Hitler coalition of powers in the dreadful years of World War II. These works are (arranged chronologically according to the events they describe): "Missiya v Berlin" [Mission to Berlin], "Rozhdeniye koalitsii" [The Birth of the Coalition], "Tegeranskaya konferentsiya" [The Tehran Conference], "U istokov OON" [The Origins of the United Nations] and, finally, "Put' k Potsdamu" [The Road to Potsdam].

The anti-Hitler alliance played its role during the course of the war, conclusively proving that states with differing social structures could act together to attain common objectives. Nonetheless, many problems arose in the relations between the allies as a result of differences in the nature of the forces involved in the coalition. These problems had to be solved. From the very beginning of the war and, in particular, during its second stage, many in the camp of the Western allies were jealous of the Red Army's success and were afraid that the socialist nation would become too strong after the war.

The book "Put' k Potsdamu" deals with this second stage of the war, when a radical turning point in the war was reached after Hitler's troops were defeated near Stalingrad. Difficult battles still had to be fought and the Red Army still had to clear invading troops out of vast areas of the Soviet Nation and beard the enemy lion in his den, but the outlines of victory could already be seen ahead. The allies were suddenly confronted with the need to solve many complex problems connected with postwar conditions, and this evoked unavoidable debates and, sometimes, even disagreements.

Examining the diplomatic history of the concluding stage of the war, the author assigns a fitting place to the Yalta Conference (February 1945), in reference to which some Western historians have spread so many false rumors. He concludes that the Yalta Conference, just as the previous meeting of the allies in Tehran, was distinguished by a prevailing tendency to elaborate collective decisions. Analyzing the progress of these talks, he accurately points out the differences in the approaches of President F. Roosevelt and Prime Minister W. Churchill to pressing problems. Definite differences were often apparent in their views. Describing the line taken by F. Roosevelt, V. M. Berezhkov writes: "By taking a sober position, he, unlike Churchill, contributed several times to the adoption of the most reasonable decision on extremely urgent matters" (p 227).

The death of F. Roosevelt and the arrival of H. Truman in the White House, a man whose lack of affection for the Soviet Union was widely known, changed the situation dramatically. Besides this, the successful tests of the atomic bomb caused Truman and his advisers to suffer from a unique type of giddiness: They conceived the messianic idea of American leadership of the entire world.

The last chapter of the book discusses the Potsdam Conference, at which time, after the victory over Hitler's reich, centrifugal forces began to drive the members of the coalition apart. But the bases of postwar cooperation by the victors were laid in previously adopted decisions. This was the reason that the results of the conference were positive in general.

At the end of the book, the author writes: "The Potsdam resolutions were quite capable of laying a foundation for productive postwar cooperation by the great powers making up the anti-Hitler coalition. But they were not destined to do this. Only a few of them were completely implemented, and only in the initial stage. Nonetheless, it is a fact that this conference, just as the other important meetings of the three allies, actually proved the possibility of effective political and military cooperation by states with differing social structures even in times of peace" (p 263).

At the mercy of atomic giddiness, Washington decided to bury the line of cooperation between the powers and move toward confrontation with the Soviet Union, toward atomic blackmail and cold war. In subsequent years, however, this policy failed. It would be best if this were kept in mind across the ocean.

Anti-Soviet CIA Activity

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 5, May 80 pp 118-119

[Review by N. N. Glagolev of the book "TsRU protiv SSSR" (CIA vs. USSR) by N. N. Yakovlev, Moscow, Molodaya gvardiya, 1979, 287 pages]

[Text] This book's novelty lies in the fact that the author focuses attention on the CIA's subversive activity against the Soviet Union and the nations of the socialist community and cogently proves that it is a mistake to think of the CIA only as an intelligence and counterintelligence body. This organization also has the duty of waging so-called "psychological warfare" against other countries, especially the Soviet Union (p 7).

Certain documents adopted after World War II and recently declassified, in which "U.S. goals regarding Russia" are defined, served as a kind of theoretical justification for CIA activity in this field. Directive 20/I of the National Security Council (NSC) coldbloodedly recognizes subversive activity against the Soviet Union as part of government policy, with the final goal of overthrowing the socialist order in our country (p 33). In 1949 the U.S. Joint Chiefs of Staff worked out a plan for an atomic assault on the USSR with the code name "Dropshot." In contrast to earlier plans, which envisaged purely military means of aggression, "Dropshot" concentrated on the use of class allies "on the other side of the front"--that is, "dissidents." "Broad-scale psychological warfare," it stressed, "is one of the most important duties of the United States. Its main purpose is to destroy public support in the USSR for the present system of government" (p 49).

Finally, Directive NSC-68 was drawn up in 1950; it proposed, on the one hand, sharply increasing the military preparations of the United States and its allies and, on the other, "sowing the seeds of destruction within the Soviet system" by means of, as the report specified, "open psychological warfare" (p 56). The latter was given the following interpretation in Directive NSC 4/A: "Conducting propaganda, including the use of anonymous, forged or secretly subsidized publications; political actions involving stateless individuals and traitors and the support of political parties; quasimilitary methods, including aid to rebels and sabotage; economic actions connected with currency operations" (p 83). Subsequent directives of the National Security Council conclusively defined the role of the CIA as an instrument in undermining the governments of other countries, especially the Soviet Union. One of them openly sanctioned a "gigantic increase in the scales of secret operations against the Soviet Union, including political and economic warfare" (p 85).

Subsequent chapters give the reader a fairly complete understanding of the quantity, variety and subtlety of these operations with the extensive involvement of emigre rabble and so-called "freedom fighters," in whom the CIA bosses saw the long-awaited "opposition" to the Soviet order. The numerous incidents related in the chapter entitled "The CIA on the Battlefield of 'Psychological Warfare,'" paint a vivid picture of the gross cynicism and monstrous unscrupulousness of the strategists of the American intelligence agency, who unhesitatingly used any means whatsoever in the fight against socialism.

Yakovlev's new book is of particular topical importance now that U.S. ruling circles have heated up the international situation to the boiling point and are trying to make the world regress back to the time of the cold war, partially with the aid of secret CIA operations. It is no coincidence that the U.S. Congress is now considering bills whose passage would spare the CIA the trouble of even such extremely painless and superficial investigations as those of the recent past, and, as the WASHINGTON POST remarked in mid-February of this year, would "protect the CIA against the few restrictions on its activity" that have gradually been established in recent years. Incidentally, even these restrictions, as experts testify, are extremely hypothetical. Les Aspin, a member of the standing Special House Committee on Intelligence, said at the end of March that, despite the assertions of other members of Congress and President Carter, existing laws and regulations are not preventing the organization of constant secret operations abroad and are not any threat to CIA "secrets." "We are now conducting many secret operations," he admitted. "And the news of these has not been leaked."

"In the doctrine of peaceful coexistence, which has been officially recognized in the United States as well," the author correctly stresses in the last chapter of this work, "there is not, and cannot be, any room for psychological warfare. By continuing its subversive activity against the Soviet Union, the CIA is shaking the very foundations of Soviet-American relations" (p 278).

8588
CSO: 1803